

Mr. ANDERSON. Mr. President, I hope that sometime I will have the opportunity and occasion to deal with these figures. I wanted them to appear in the RECORD so that they may be available to all Senators for examination, instead of having to hand them back and forth.

I desire to yield the floor, merely saying that I appreciate the courtesy of the Senator from Colorado [Mr. ALLOTT] in giving me an opportunity to place the tables in the RECORD so that in the subsequent debate we may have an opportunity to refer to them.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PAYNE ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at the conclusion of the morning hour on Monday the distinguished junior Senator from Maine [Mr. PAYNE] may be recognized for about 20 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, if there are no other Senators who wish to speak, I move that, pursuant to the order previously entered, the Senate stand in adjournment until Monday noon.

The motion was agreed to; and (at 3 o'clock and 51 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, February 27, 1956, at 12 o'clock meridian.

SENATE

MONDAY, FEBRUARY 27, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, in spite of the clouds and darkness which sadly limit our finite vision, keep us steadfast in the assurance that righteousness and judgment are the habitation of Thy throne.

Thou hast taught us that Thou dwellest not just out on the rim of the universe far from our individual pulse beat, but also in humble and contrite hearts, and that, as we are made in Thy image, no despot can enslave our consciences.

Against the defilement by impious hands of that sacred inner shrine, we pledge a sacrifice from which no cost can hold us back.

Strengthen our will, we beseech Thee, to halt the designs of tyrants, drunk with the sight of power, who would bring us and all people under their slavish domination.

And, as we say and pray "God bless America," make our land the kind of a land Thou canst bless and make a fit channel for Thy healing grace to all the peoples of the earth.

We ask it in the name of that one whose truth will make all men free. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, February 24, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

UNOFFICIAL JOINT MEETING OF THE TWO HOUSES ON WEDNESDAY NEXT

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to announce that on Wednesday, February 29, at 12:30 p. m., there will be an unofficial joint meeting of the House and the Senate in the House Chamber, for the purpose of hearing an address by His Excellency, the President of Italy, Giovanni Gronchi.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, a subcommittee of the Committee on Public Works was authorized to sit during the session of the Senate today.

On request of Mr. LEHMAN, and by unanimous consent, the Securities Subcommittee of the Committee on Banking and Currency was authorized to meet this afternoon during the session of the Senate.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that dur-

ing the morning hour there be a limitation of 2 minutes on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INVESTIGATION OF LOBBYING

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the body of the RECORD three editorials, one from the New York Herald Tribune, one from the Baltimore Sun, and one from the Washington Post and Times Herald.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of February 26, 1956]

LOBBY INVESTIGATION

When a California oilman offered to contribute \$2,500 to the campaign fund of a South Dakota Senator, he stirred up a hornet's nest. First result of his action was the Presidential veto of the bill to free natural gas producers from Federal price regulation. The President was outraged by the offer, even though the Senator in question, Republican FRANCIS CASE, turned it down and voted against the bill.

But that was just the beginning. Last week the entire Senate went into action. Following the lead of Senators LYNDON B. JOHNSON, Democrat, Texas, and WILLIAM F. KNOWLAND, Republican, California, majority and minority leaders, respectively, it voted overwhelmingly to set up a special committee to investigate any and all attempts to influence legislation "through campaign contributions, political activities, lobbying or * * * other activities." The resolution called for an 8-man committee, 4 Democrats and 4 Republicans.

The two leaders went to work at once to find their men. This was not easy. First, no Senator running for reelection was eligible. Second, it was necessary to find two in each party who had voted for the gas bill and two who had voted against it. Finally, it was necessary to convince these men that they ought to undertake what would be a distasteful task at best. Nevertheless, the committee was formed within 24 hours of the passage of the resolution.

In marked contrast to regular Senate committees, this one was authorized to select its own chairman. It was expected that Senator ALBERT GORE, Democrat, Tennessee, would be the members' choice. Senator GORE is chairman of the Senate Elections Subcommittee, which had already decided to investigate a part of the general area to be covered by the special committee.

The investigation into "attempts to influence improperly or illegally" Members of the Senate or senatorial candidates will be extended to similar attempts in connection with "any officer or employee of the executive branch." The judiciary was specifically excluded. The House of Representatives so far has taken no action in the matter.

The new committee was directed to make specific recommendations in these three areas:

1. Improvement and modernization of the Federal election laws.
2. Improvement and strengthening of the Corrupt Practices Act, governing campaign contributions; the Hatch Act, governing political activities by Federal employees, and the Regulation of Lobbying Act.
3. Assurance of "appropriate administrative action in connection with all persons, organizations, associations, or corporations believed to be guilty of wrongdoing punishable by law."

It is required to report by January 31, 1957, and is authorized to spend up to \$350,000. Concerning its work, Senator JOHNSON said there is nothing to prevent interim reports upon which legal changes might be made before the November elections.

Senator KNOWLAND said that the committee had "one of the most important tasks ever assigned" by the Senate.

The Senate leaders did not just sit back and wait for the committee's report, however. On Friday they announced a decision to work together on legislation to modernize laws on campaign activities in time for the November elections. Immediate goal is to place a "realistic" limit on campaign spending, permit income-tax deductions up to \$100 for campaign contributions and allow radio and television companies to divide free time between "major" parties without having to give equivalent time to splinter parties. Purpose of the tax deduction is to broaden participation in campaign financing.

[From the Baltimore Sun of February 25, 1956]

INFLUENCE, PROPER AND IMPROPER

The Senate has appointed its special influence committee, which is charged with the task of looking into the whole large question of improper efforts to influence legislators and Government employees by means of campaign contributions. It is a good bipartisan committee, consisting of Senators experienced in investigation. Senator GORE, who has been spoken of as the probable chairman, hopes that the investigation will bring about basic remedial legislation.

The committee has its work cut out for it. Politics is not carried on in a vacuum. There never was such a thing as a campaign contribution that was not given in the hope of influencing political decisions. The question, often asked but never satisfactorily answered, is at what point an effort to influence the course of politics by campaign contributions ceases to be proper and becomes improper. The President found that the lobbying in the case of the gas bill was arrogant, and there are few who will defend the contribution of \$2,500 which was proffered to Senator CASE. Here was impropriety that everyone recognizes. But no one would seriously contend that interests directly or indirectly affected by the fate of that bill were not entitled to support their interests by every device of legitimate persuasion. Just where is the borderline beyond which the lobbying in this case became improper? No one can pin it down for sure.

Nor have efforts to legislate on the amounts and sources of legitimate campaign contributions ever been really effective. Mr. Thomas O'Neill touched on the history of these efforts in his column in the Evening Sun of Friday. Restrictions of that type always seem to have convenient loopholes.

Probably the best we can hope for is not specific restrictions of this type, but a better and more systematic illumination of where the money comes from, and why. If there is full disclosure of the amounts and kinds of political contributions, and if their true sources are really identified, at least the public will know what is going on. At present, most of the time, it doesn't. There exists no study that treats this question of electoral financing in realistic detail—and, of course, such studies as there are become obsolete quickly. Nor has there ever been full and systematic disclosure in the realm of local, State, or national politics.

[From the Washington Post and Times Herald of February 27, 1956]

HONEST ELECTIONS BILL

The drive for enactment of the so-called honest elections bill is a necessary concomi-

tant to the investigation into lobbying and use of money to influence legislators. One effect of the furor over Senator CASE's disclosures and the forthcoming inquiry is likely to be a drying up of contributions for the 1956 campaigns from donors interested in getting bills through Congress. Even regular contributors are likely to think twice before offering any substantial sum to a Senator or Representative while the investigation is under way. It becomes especially important, therefore, to encourage campaign contributions from other sources.

The evil that has come sharply into focus as a result of the natural-gas lobby's activities is not the spending of money in political campaigns. The people must be informed about issues and candidates if they are to vote intelligently. Our democratic system is admittedly expensive to operate. The real danger arises when special interests contribute heavily to political campaigns in the expectation that the legislators elected with such help will pass bills the special interests want. The Senate concluded, largely on the basis of the CASE incident, that this danger demands thorough investigation.

At the same time the Senate leaders are keenly aware of the fact that campaign contributions do not grow on bushes. While striking a blow at gifts from special interests, they see the need for encouraging more numerous donations from the rank and file of citizens interested in good government. Consequently, the plan that seems to be emerging from conferences by Majority Leader JOHNSON, Minority Leader KNOWLAND, and other Members of the Senate and House emphasizes three important steps:

First, it would permit taxpayers to deduct from their taxable income political contributions up to \$100. This would be a substantial incentive to taxpayers to aid the party or candidates of their choice. Contributions on this level would not be large enough to create any sense of obligation on the part of the candidate to the donor. For some legislators, this proposal may well become a declaration of independence.

Second, it would permit radio and television networks to give free time to major candidates without extending similar favors to every fringe or splinter office seeker. This would notably ease the high cost of campaigns.

Third, expenditure limits would be lifted to make the law meaningful, and reporting requirements would be drastically tightened. Means should also be found, in our opinion, of extending the safeguards of the bill to campaigns for nomination, which in about one-third of the States, are equivalent to elections. Senator MUNDT's proposal that congressional candidates be required to file in Washington duplicates of their reports to the States on campaign contributions and expenditures appears to have a good deal of merit in this connection.

The important objectives are to stimulate a flow of contributions from the right sources, to discourage gifts that tend to sway legislative judgment and to expose all transactions bearing upon nomination and election to public office to the fullest public scrutiny.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF ARMY AND AIR FORCE VITALIZATION AND RETIREMENT EQUALIZATION ACT

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend section 302 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948, as amended (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF TITLE 18, UNITED STATES CODE, RELATING TO MAILING OF OBSCENE MATTER

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend title 18 of the United States Code, relating to the mailing of obscene matter (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Colorado; to the Committee on Labor and Public Welfare:

"House Joint Resolution 7

"Joint resolution memorializing the Congress of the United States to enact legislation providing grants in aid to State agencies for the promotion and enforcement of safety in industry

"Whereas legislation has been introduced in the Congress of the United States which would provide grants in aid to State agencies for the promotion and enforcement of safety in industry, to wit: Senate bill No. 1091 and House of Representatives bill No. 5740, which are identical bills; and

"Whereas it has long been desired that the State of Colorado extend and amplify its presently existing safety and accident prevention program to the end that the number and severity of industrial accidents with their attendant loss of wages and distress to the wage earner and his family may be reduced, but this program has been hampered by lack of funds: Now, therefore, be it

"Resolved by the House of Representatives of the 40th General Assembly of the State of Colorado (the Senate concurring herein), That it respectfully memorializes the Congress of the United States to enact into law the bills presently pending before it providing for grants in aid to State agencies for the promotion and enforcement of safety in industry, namely, Senate bill No. 1091 and House of Representatives' bill No. 5740; and be it further

"Resolved, That copies of this memorial be transmitted to the Secretary of the Senate of the United States, the Chief Clerk of the House of Representatives of the United States, to each Member of the Congress from this State and to the Secretary of Labor of the United States.

"DAVID A. HAMIL,

"Speaker of the House of Representatives.

"LEE MATTIES,

"Chief Clerk of the House of Representatives.

"STEPHEN L. R. McNICHOLS,

"President of the Senate.

"MILDRED H. CRESSWELL,

"Secretary of the Senate."

A joint resolution of the Legislature of the State of Colorado; to the Committee on Banking and Currency:

"House Joint Resolution 8

"Joint resolution memorializing Congress and the President of the United States to restore to the citizens their constitutional rights to own, hold and possess gold and to buy and sell gold in a free market

"Whereas the absolute and arbitrary control exercised by the United States Treasury over the production, disposition and holding of domestic gold is in direct violation of the rights of personal liberty, personal security and private property which are fundamental rights of free men and women guaranteed to citizens of the United States by their Constitution; and

"Whereas the \$35 (per fine ounce) price of gold was proclaimed arbitrarily by the President in 1934, and has since been rigidly maintained for all purchases and sales of gold by the Treasury, regardless of the fact that the value and purchasing power of dollars has decreased to considerably less than half of what it was in 1934; and

"Whereas Treasury regulations require that gold producers in the United States and Alaska, obtain licenses from them before processing and refining the gold mined from their properties and that thereafter such gold must be sold to the Treasury or their licensed agents at their arbitrary \$35 price, and that these conditions are enforced by the Treasury through threats of confiscation of the gold owned by producers and threats of their criminal prosecution with fines and imprisonment, if they do not conform to such regulations; and

"Whereas it is well known and officially admitted that the costs of labor and all other commodities, especially such costs as enter into the production of gold, have doubled or trebled since 1934; and

"Whereas the Treasury having thus, in effect, confiscated newly mined gold in the United States has usurped the right of its owners to sell this gold to industry and to the arts, and through its regulations it has denied private citizens the right to own, buy or sell gold as a commodity or as a store of value, in a free market so that it might reflect its actual value; and

"Whereas these practices by the Treasury have imposed such uneconomic and arbitrary restrictions upon gold producers that 95 percent of the primary gold mines of the United States have been forced to close down, thus leaving the United States without available future sources for new gold; and

"Whereas the sale of gold from our Treasury gold stocks, to private industry, annually exceeds the total domestic gold production and is dangerously dissipating the available United States gold supply which should be held intact and increased for future monetary protection of our citizens and for national defense; and

"Whereas the industry and well being of many communities in the State of Colorado and the Western United States have been seriously impaired through the enforcement of its arbitrary and inadequate price of gold by the Treasury which thereby deprives said State of Colorado from development, production and enjoyment of a substantial part of its mineral wealth: Now, therefore, be it

"Resolved by the House of Representatives of the 40th General Assembly of the State of Colorado (the Senate concurring herein), That the President and the Congress of the United States be respectfully requested to enact legislation which will end the wasteful sale of gold from United States gold stocks, to private industry, and to restore to the people of the United States their constitutional rights to have a free market for all newly mined gold, and such other gold as they may desire to acquire, which provisions in substance are contained in legislation now pending in the Congress of the United States; and be it further

"Resolved, That the chief clerk of the House of Representatives of the State of Colorado be authorized and directed to transmit properly certified copies of this memorial to the President of the United States; the President of the Senate; the Speaker of the House of Representatives and the Representatives of the State of Colorado in the Congress of the United States.

"DAVID A. HAMIL,

"Speaker of the House of Representatives.

"LEE MATTIES,

"Chief Clerk of the House of Representatives.

"STEPHEN L. R. McNICHOLS,

"President of the Senate.

"MILDRED H. CRESSWELL,

"Secretary of the Senate."

A resolution of the House of Representatives of the Commonwealth of Kentucky; to the Committee on Finance:

"House Resolution 59

"Resolution memorializing Congress to reduce the tax burden on the major industries of the Commonwealth of Kentucky

"Whereas the isolated imposition of inequitable and onerous tax burdens on the major industries of any State is patently contrary to sound public policy and principles of economics; and

"Whereas the imposition of burdensome taxes has not only an undesirable effect upon industry and the community, but also deprives the States of sources of desperately needed revenue; and

"Whereas two of the Commonwealth of Kentucky's major industries, distilling and tobacco, are presently burdened with unjust, unfair and economically unwise taxes by the Government of the United States; and

"Whereas it appears that in the best interests of the citizens of this Commonwealth, as well as those of the other 47 States, relief from such special tax burdens should be granted; and

"Whereas such relief can only be afforded by appropriate action by the Congress of the United States of America: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky:

"SECTION 1. That the Congress of the United States act in the exercise of its broad legislative powers to reduce, alleviate and distribute amongst the States, on an equitable basis, the pressing burden of taxes presently being borne by the distilling and tobacco industries in the Commonwealth of Kentucky.

"SEC. 2. That copies of this resolution be sent by the clerk of the house to the President and Chief Clerk of the Senate of the United States, the United States Senators from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States, and the Representatives in Congress from Kentucky."

Two concurrent resolutions of the House of Representatives of the Commonwealth of Kentucky; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 11

"Concurrent resolution memorializing Congress to restore tobacco acreage allotments to their 1955 level

"Whereas agriculture is of highest importance to the economy of the Commonwealth of Kentucky; and

"Whereas the production of tobacco is of first importance in the Agriculture of the Commonwealth; and

"Whereas there has been drastic reduction of tobacco acreage over the past 2 years totaling about 40 percent, resulting in considerable reduction in total farm production and causing hardship to the farmers in this Commonwealth; and

"Whereas the total 1955 tobacco production has fallen far below the earlier crop estimates on which the 1956 allotments were based; and

"Whereas there has been a favorable increase in consumption of burley tobacco over the past several months; and

"Whereas it now appears that reductions in tobacco acreage allotments for 1956, made in November of 1955, are unwise and unnecessary; and

"Whereas the United States Department of Agriculture is without authority to now correct its 1956 allotments to adjust to the several differences between the estimates and the facts; and

"Whereas failure to do everything possible to bring about the production of tobacco in amounts most suitable to the economy of tobacco marketing within the principles of the production control program of the Federal Government, would undermine confidence in the program and cause undue hardship on the farmers of the Commonwealth: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers and in the performance of its specific duty under the Agricultural Adjustment Act of 1938, to correct the tobacco acreage allotments for 1956 determined on the basis of an erroneous estimate of the 1955 crop;

"SEC. 2. That the Congress act in this regard by canceling the reductions in the tobacco acreage allotments for burley tobacco and restoring the burley allotments to their 1955 level as is made advisable by production statistics now available to the Department of Agriculture and to the Congress; and

"SEC. 3. That the clerk of the house of representatives is directed to forward copies of this resolution to the President of the United States Senate and the Speaker of the United States House of Representatives, to each of the Senators and Representatives from Kentucky now serving in the Congress, to the Secretary of Agriculture, United States, and to the president of the Kentucky Farm Bureau."

"House Concurrent Resolution 9

"Concurrent resolution memorializing Congress to restore tobacco acreage allotments to their 1955 level

"Whereas agriculture is of highest importance to the economy of the Commonwealth of Kentucky; and

"Whereas the production of tobacco is of first importance in the agriculture of the Commonwealth; and

"Whereas there has been drastic reduction of tobacco acreage over the past 2 years totaling about 40 percent, resulting in considerable reduction in total farm production and causing hardship to the farmers in this Commonwealth; and

"Whereas the total 1955 tobacco production has fallen far below the earlier crop estimates on which the 1956 allotments were based; and

"Whereas there has been a favorable increase in consumption of cigarette tobacco over the past several months; and

"Whereas it now appears that reductions in tobacco acreage allotments for 1956, made in November of 1955, are unwise and unnecessary; and

"Whereas the United States Department of Agriculture is without authority to now correct its 1956 allotments to adjust to the several differences between the estimates and the facts; and

"Whereas failure to do everything possible to bring about the production of tobacco in amounts most suitable to the economy of tobacco marketing within the principles of

the production control program of the Federal Government, would undermine confidence in the program and cause undue hardship on the farmers of the Commonwealth: Now, therefore, be it

Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States is urged to act in the exercise of its broad legislative powers and in the performance of its specific duty under the Agricultural Adjustment Act of 1938, to correct the tobacco acreage allotments for 1956 determined on the basis of an erroneous estimate of the 1955 crop;

"Sec. 2. That the Congress act in this regard by canceling the reductions in the tobacco acreage allotments for burley tobacco and restoring the burley allotments to their 1955 level as is made advisable by production statistics now available to the Department of Agriculture and to the Congress; and

"Sec. 3. That the clerk of the house of representatives is directed to forward copies of this resolution to the President of the United States Senate and the Speaker of the United States House of Representatives, to each of the Senators and Representatives from Kentucky now serving in the Congress, to the Secretary of Agriculture, United States, and to the president of the Kentucky Farm Bureau."

Resolutions of the Senate of the State of Massachusetts; to the Committee on Armed Services.

"Resolutions urging the Congress of the United States and the Secretary of Defense to provide Watertown Arsenal with work in the guided missile and new weapons fields

"Whereas it is proposed to reduce the production and personnel of the \$100 million ordnance plant, Watertown Arsenal; and

"Whereas the Department of Defense has given important guided missile and new weapons work to many private industrial firms which do not have the same available facilities; and

"Whereas the loss of \$15 million annual payroll of the Watertown Arsenal in this area would drastically contribute to the economic plight of New England; and

"Whereas the Watertown Arsenal is capable and ready to produce guided missiles and the new defense weapons; and

"Whereas the skill of the scientists and technicians at Watertown Arsenal, who have pioneered in major metallurgical and scientific developments for decades, have won national and international acclaim: Therefore be it

Resolved, That the Massachusetts Senate respectfully urges the Congress of the United States and the Secretary of Defense to provide this vitally important ordnance installation, Watertown Arsenal, with work in the guided missile and new weapons fields from funds already appropriated in the defense budget, thus working for the best interest of the United States of America; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the Secretary of Defense, to the members of the Armed Service Committee, to the presiding officer of each branch of Congress, and to each Member thereof from this Commonwealth."

A resolution adopted by the New England Conservatory of Music Alumni Association, at Boston, Mass., relating to the designation of the Cathedral of the Pines, in the State of New Hampshire, as a national shrine; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Long Island Chapter, Knights of Columbus, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the

treatymaking power; to the Committee on the Judiciary.

A resolution adopted by a mass meeting of citizens of Lithuanian descent, at Los Angeles, Calif., relating to the 38th anniversary of the Declaration of Independence of Lithuania; to the Committee on Foreign Relations.

By Mr. BARKLEY:

A joint resolution of the Senate of the Commonwealth of Kentucky; to the Committee on Finance:

"Senate Joint Resolution 9

"Joint resolution memorializing the Congress of the United States to reduce the age of qualification for the benefits of the old-age assistance program from 65 years to 60 years of age

"Whereas by the old-age assistance program as defined under the Social Security Act passed August 14, 1935 (ch. 531, 49 Stat. 622; U. S. C. A., title I, sec. 6) and its amendments, August 10, 1939 (ch. 666, 53 Stat. 1362; U. S. C. A., title I, sec. 103) and August 28, 1950 (ch. 809, 64 Stat. 549, U. S. C. A., title III, pt. 1, sec. 303 (a)), benefits under this program are limited to individuals who have attained the age of 65 years; and

"Whereas there are many individuals deserv- ing of the benefits of this program who are not eligible therefor because of their inability to meet the age requirement; and

"Whereas it is desirable that the benefits of this program be made available to as many deserving individuals as possible; Now therefore, be it

Resolved by the General Assembly of the Commonwealth of Kentucky:

"SECTION 1. That the General Assembly of the Commonwealth of Kentucky in regular session assembled, the Senate and House concurring, memorializes the 84th Congress of the United States to amend the Social Security Act as it pertains to 'old-age assistance' to include those individuals who have attained the age of 60 years.

"Sec. 2. That the Senators and Representatives of Kentucky in the 84th Congress are urged to introduce and support legislation to accomplish the foregoing.

"Sec. 3. That copies of this memorial, duly authenticated, be sent by the clerk of the senate to the President and Chief Clerk of the Senate of the United States, the United States Senators from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States, and the Representatives in Congress from Kentucky."

A resolution of the Senate of the Commonwealth of Kentucky; to the Committee on Finance:

"Senate Resolution 74

"A resolution urging the Congress of the United States to enact legislation reducing the Federal tax on whisky

"Whereas the Commonwealth of Kentucky is in dire need of additional revenue with which to afford its citizens the necessary governmental services; and

"Whereas a reduction in the Federal tax on whisky from \$10.50 per gallon to \$9 per gallon would present an opportunity for the Commonwealth to levy additional taxes on the whisky industry for the benefit of its citizens; and

"Whereas such reduction in Federal taxes can only be accomplished by legislative action by the Congress of the United States: Now, therefore, be it

Resolved by the Senate of the Commonwealth of Kentucky:

"SECTION 1. That the Congress of the United States act, in the exercise of its broad legislative powers, to reduce the Federal tax on whisky from \$10.50 per gallon to \$9 per gallon.

"Sec. 2. The clerk of the Senate of the General Assembly of the Commonwealth of Kentucky shall transmit copies of this reso-

lution to all United States Senators and Congressmen from Kentucky.

"HARRY LEE WATERFIELD,
"President of the Senate.

"THOMAS FITZPATRICK,
"Speaker, House of Representatives."

PUBLIC-SCHOOL INTEGRATION— JOINT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. On behalf of my colleague the senior Senator from South Carolina [Mr. JOHNSTON] and myself, I present, for appropriate reference, a joint resolution which was enacted without a single dissenting vote by the South Carolina General Assembly on February 14, 1956. This is a joint resolution condemning and protesting the usurpation and encroachment on the reserved powers of the States by the Supreme Court of the United States, calling upon the States and Congress to prevent this and other encroachment by the Central Government. The resolution declares the intention of South Carolina to exercise all powers reserved to it, to protect its sovereignty and the rights of its people.

I ask that this historic document be printed in the body of the RECORD at the conclusion of my remarks, together with an article from the February 27, 1956, edition of the Washington Post and Times Herald. The article was written by Mr. John M. Fenton and is entitled "The Gallup Poll: 8 Out of 10 Southern Whites Veto Integration."

Mr. President, I have offered these two insertions to be printed in the RECORD together to point out to the Congress that the people of South Carolina are handing down an almost unanimous verdict that they do not want integration and that they do not approve of legislation by judicial decree. This resolution demonstrates the unanimity of the South Carolina General Assembly on this point, and the Gallup Poll shows that 9 out of every 10 white South Carolinians are against integration. The people of South Carolina believe that local matters can best be handled by local people who are familiar with existing conditions and public sentiment.

I submit, Mr. President, that public sentiment is a vital factor in determining either the success or failure of any undertaking. Abraham Lincoln believed this to be true, also, when he uttered these words of warning in 1832:

With public sentiment nothing can fail. Without it nothing can succeed.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and article will be printed in the RECORD.

The joint resolution was referred to the Committee on the Judiciary, as follows:

Joint resolution condemning and protesting the usurpation and encroachment on the reserved powers of the States by the Supreme Court of the United States, calling upon the States and Congress to prevent this and other encroachment by the Central Government and declaring the intention of South Carolina to exercise all powers reserved to it to protect its sovereignty and the rights of its people.

Mindful of its responsibilities to its own citizens and of its obligations to the other States, the General Assembly of South Carolina adopts this resolution in condemnation of and protest against the illegal encroachment by the Central Government into the reserved powers of the States and the rights of the people, and against the grave threat to constitutional government, implicit in the recent decisions of the Supreme Court of the United States, for these reasons:

1. The genius of the American Constitution lies in two provisions. It establishes a clear division between the powers delegated by the States to the Central Government and the powers reserved to the States, or to the people. As a prerequisite to any lawful redistribution of these powers, it establishes as a part of the process for its amendment the requirement of approval by the States.

The division of these powers is reaffirmed in the 10th amendment to the Constitution in these words: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Long judicial precedent also clearly reaffirms that central government is one of delegated powers specifically enumerated in the Constitution, and that all other powers of government, not prohibited by the Constitution to the States, are reserved to the States or to the people.

The power to propose changes and the power to approve changes in the basic law is specifically stated by article V of the Constitution in these words: "The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress."

Lincoln, in his first inaugural, recognized these constitutional principles in the following language: "The maintenance inviolate to the rights of the States, and especially the right of each State to order and control its own domestic institutions, according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend."

2. Neither the judicial power delegated to the Supreme Court in article III of the Constitution nor such appellate jurisdiction as the article authorizes the Congress to confer upon the Court, makes the Court the supreme arbiter of the rights of the States under the compact.

3. The right of each of the States to maintain at its own expense racially separate public schools for the children of its citizens and other racially separate public facilities is not forbidden or limited by the language or the intent of the 14th amendment. This meaning of the 14th amendment was established beyond reasonable question by the action of the Congress in providing for racially segregated schools in the District of Columbia by legislation contemporaneous with the submission of the 14th amendment to the States in 1866, and by the fact that a majority of the States in the Union at that time recognized that segregation in public facilities had not been abolished by this amendment. There is no evidence in the Constitution, in the amendments, or in any contemporary document that the States intended to give to the Central Government the right to invade the sanctity of the homes of America and deny to responsible parents a meaningful voice in the training of their children or in the selection of associates for them.

4. For almost 60 years, beginning in 1896, an unbroken line of decisions of the Court interpreted the 14th amendment as recognizing the right of the States to maintain racially separate public facilities for their people. If the Court in the interpretation of the Constitution is to depart from the sanctity of past decisions and to rely on the current political and social philosophy of its members to unsettle the great constitutional principles so clearly established, the rights of individuals are not secure and government under a written Constitution has no stability.

5. Disregarding the plain language of the 14th amendment, ignoring the conclusive character of the contemporary actions of the Congress and of the State legislatures, overruling its own decisions to the contrary, the Supreme Court of the United States on May 17, 1954, relying on its own views of sociology and psychology, for the first time held that the 14th amendment prohibited the States from maintaining racially separate public schools and since then the Court has enlarged this to include other public facilities. In so doing the Court, under the guise of interpretation, amended the Constitution of the United States, thus usurping the power of Congress to submit, and that of the several States to approve, constitutional changes. This action of the Court ignored the principle that the meaning of the Constitution and of its amendments does not change. It is a written instrument. That which the 14th amendment meant when adopted it means now (*South Carolina v. United States*, 199 U. S. 437, 449).

6. The educational opportunities of white and colored children in the public schools of South Carolina have been substantially improved during recent years and highly satisfactory results are being obtained in our segregated schools. If enforced, the decision of the Court will seriously impair and retard the education of the children of both races, will nullify these recent advances and will cause untold friction between the races.

7. Tragic as are the consequences of this decision to the education of the children of both races in the Southern States, the usurpation of constitutional power by the Court transcends the problems of segregation in education. The Court holds that regardless of the meaning of a constitutional provision when adopted, and in the language of the 1955 Report of the Gray Commission to the Governor of Virginia, "irrespective of precedent, long acquiesced in, the Court can and will change its interpretation of the Constitution at its pleasure, disregarding the orderly processes for its amendment set forth in article V thereof. It means that the most fundamental of the rights of the States or of their citizens exist by the Court's sufferance and that the law of the land is whatever the Court may determine it to be * * *." Thus the Supreme Court, created to preserve the Constitution, has planted the seed for the destruction of constitutional government.

8. Because the preservation of the rights of the States is as much within the design and care of the Constitution as the preservation of the National Government, since "the Constitution, in all of its provisions, looks to an indestructible Union, composed of indestructible States" (*Texas v. White* (1869), 7 Wallace 700, 725), and since the usurpation of the rights reserved to the States is by the judicial branch of the Central Government, the issues raised by this decision are of such grave import as to require this sovereign State to judge for itself of the infraction of the Constitution.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. That the States have never delegated to the Central Government the power to change the Constitution nor have they surrendered to the Central Government the power to prohibit to the States the right

to maintain racially separate but equal public facilities or the right to determine when such facilities are in the best interest of their citizens.

SEC. 2. That the action of the Supreme Court of the United States constitutes a deliberate, palpable, and dangerous attempt to change the true intent and meaning of the Constitution. It is in derogation of the power of Congress to propose, and that of the States to approve, constitutional changes. It thereby establishes a judicial precedent, if allowed to stand, for the ultimate destruction of constitutional government.

SEC. 3. That the State of South Carolina condemns and protests against the illegal encroachment by the Central Government into the reserved powers of the States and the rights of the people and against the grave threat to the constitutional government implicit in the decisions of the Supreme Court of the United States.

SEC. 4. That the States and the Congress do take appropriate legal steps to prevent, now and in the future, usurpation of power by the Supreme Court and other encroachment by the Central Government into the reserved powers of the States and the rights of the people to the end that our American system of constitutional government may be preserved.

SEC. 5. In the meantime, the State of South Carolina as a loyal and sovereign State of the Union will exercise the powers reserved to it under the Constitution to judge for itself of the infractions and to take such other legal measures as it may deem appropriate to protect its sovereignty and the rights of its people.

SEC. 6. That a copy of this resolution be sent to the governor and legislature of each of the other States, to the President of the United States, to each of the Houses of Congress, to South Carolina's Representatives and Senators in the Congress, and to the Supreme Court of the United States for its information.

SEC. 7. This act shall take effect upon its approval by the Governor.

ERNEST F. HOLLINGS,

President of the Senate.

SOLOMON BLATT,

Speaker of the House of Representatives.

Approved the 14th day of February 1956.

GEORGE BELL TIMMERMAN, JR.,

Governor.

The article, presented by Mr. THURMOND, is as follows:

[From the Washington Post and Times Herald of February 27, 1956]

THE GALLUP POLL—8 OUT OF 10 SOUTHERN WHITES VETO INTEGRATION

(By John M. Fenton)

PRINCETON, N. J., February 26.—Just how strongly does the average southerner feel about desegregation?

One needs to penetrate only a few miles into the South to become aware of the impact of the Supreme Court's decision in the 13 Southern States today, everybody is talking about the possible end of segregation.

This reporter has just returned from a 4,000-mile tour of the South, during which he spoke with many southerners—both white and Negro. Aided by the public opinion reporters of the institute's southern staff, we interviewed a representative cross-section of adults in all parts of the South—from Virginia to Texas.

All in all, we found 8 out of 10 southern whites opposed to the Supreme Court's outlawing of segregation in the public schools.

Opinion is slightly less opposed to the recent Interstate Commerce Commission ruling which outlawed segregated travel between States on buses, trains, and in public waiting rooms.

There are still about 3 out of 4 southern whites, however, who oppose such a move.

The questions and results:

"The United States Supreme Court has ruled that racial segregation in the public schools is illegal. This means that all children, no matter what their race, must be allowed to go to the same schools. Do you approve or disapprove of this decision?"

Southern whites only

	Percent
Approve	16
Disapprove	80
Undecided	4

"The Interstate Commerce Commission has ruled that racial segregation on trains, buses, and in public waiting rooms must end. Do you approve or disapprove of this ruling?"

Southern whites only

	Percent
Approve	19
Disapprove	76
Undecided	5

The wide split in opinion that the segregation issue has brought to the American domestic scene is illustrated by the vote of people in the 35 States outside the South on the two issues—as recorded in the latest institute survey:

Supreme Court's decision—Outside the South

	Percent
Approve	71
Disapprove	24
Undecided	5

ICC's ruling—Outside the South

	Percent
Approve	67
Disapprove	24
Undecided	9

The degree of opposition to both rulings in the South is directly related to the size of the Negro population in each of the 13 States.

In the border States of Kentucky, Tennessee, Oklahoma, and Texas, for example, where the white-Negro ratio averages 8 whites to 1 Negro, we found nearly 1 white in 4 approving of the Supreme Court's decision.

Moving into what might be termed the "MidSouth States" of Florida, Virginia, Arkansas, and North Carolina—where Negroes constitute, on the average, about 24 percent of the total population—we discovered slightly greater opposition with about 1 white person in 5 favoring mixed schools and a little more than this approving on the ICC question.

It is in the five States of the Deep South—Georgia, Alabama, Louisiana, South Carolina, and Mississippi—where the greatest opposition and bitterest resentment is found. In these areas—where more than one-third of the population is Negro—nearly 9 out of 10 whites are opposed on both questions.

The PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on the Judiciary.

CONSTRUCTION OF FISHWAYS, LITTLE FALLS DAM, POTOMAC RIVER—JOINT RESOLUTION OF MARYLAND HOUSE OF DELEGATES

Mr. BUTLER. Mr. President, I call to the attention of the Members of the Senate, Joint Resolution No. 22, approved by the House of Delegates of the State of Maryland, on February 20, concerning the construction of fishways at the Little Falls Dam on the Potomac River, and ask unanimous consent that

it be printed in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

House Joint Resolution 22

Joint resolution expressing the sentiments of Maryland citizens concerning the construction of fishways at the Little Falls Dam on the Potomac River

Whereas it is the opinion of representatives of the United States Fish and Wildlife Service, the Maryland Game and Inland Fish Commission, the Board of Natural Resources of Maryland, the League of Maryland Sportsmen, Inc., and other sportsmen's conservation groups that the construction of adequate fish ladders on Little Falls Dam on the Potomac River is essential for the conservation of abundant fish life in the Potomac and the Chesapeake Bay; and

Whereas the Corps of Army Engineers and the Commissioners of the District of Columbia have adamantly held that they have no authorization from Congress to spend funds for such purposes; and

Whereas on February 7, 1956, the Comptroller General of the United States stated in part as follows: "It is our opinion that the Congress has both approved and appropriated money for a fishway at the Little Falls Dam. However, it is apparent that this authorization and appropriation is permissive only and not mandatory and does not constitute a positive direction from Congress that a fishway be constructed; and

Whereas there is immediate need to advise Maryland's United States Senators and Congressmen that the people of the State of Maryland are vitally interested in having these fishways included in the construction of the Little Falls Dam: Now, therefore, be it

Resolved by the General Assembly of Maryland, That the Governor, the president of the senate and the speaker of the house of delegates, be and they are hereby requested to take immediate steps to inform the Corps of Engineers, Department of the Army; the Commissioners of the District of Columbia, and the United States Senators and Members of Congress from Maryland that the people of Maryland want the fishway to be constructed on Little Falls Dam; and be it further

Resolved, That the secretary of state is hereby directed to send copies of this resolution to the Maryland Senators and Representatives in Congress, to the Corps of Engineers, and Commissioners of the District of Columbia, to the Governor of Maryland, and to the president of the senate and the speaker of the house of delegates of Maryland.

A SOUND CONSERVATION PROGRAM—LETTER

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a letter I have received from the Faribault (Minn.) chapter of the Izaak Walton League, expressing their concern over bills and legislation contrary to a sound conservation program.

There being no objection, the letter was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

FARIBAULT CHAPTER,

IZAAK WALTON LEAGUE OF AMERICA,
Faribault, Minn., February 7, 1956.

HON. HUBERT H. HUMPHREY,

Washington, D. C.

DEAR SENATOR HUMPHREY: The Faribault Chapter of the Izaak Walton League of

America hereby seeks your support in Congress for the correction of bills and legislation contrary to a sound conservation program.

We are vitally concerned in keeping Federal refuge areas set aside by farsighted conservationists from falling into the hands of individuals and groups who are only interested in the immediate situation or can realize financial gain. We must do everything within our power to preserve this wildlife heritage which now appears to be on the brink of extinction.

We believe there should be more congressional control of the Department of Interior so as to avoid and correct situations such as the leasing or disposing of wildlife preserves for oil and mining speculation and the turning over of tracts of land to the military.

Therefore, we ask you as our Senator to do everything in your power to incorporate these ideas in a sound conservation program.

Respectfully yours,

K. W. HOLLISTER,

Secretary.

FEDERAL ACQUISITION OF LAND IN MAHNOMEN COUNTY, MINN.—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Mahanomen County commissioners at their meeting held on February 6, 1956, regarding the acquisition in their county of land by the Federal Government.

This resolution, Mr. President, is symptomatic of the kind of problem that can arise in a given community when acquisition of land by the Federal Government withdraws that land from local taxability. It is situations such as these which have prompted several bills now pending in the Senate which would provide for payments to localities by the Federal Government in lieu of taxes. One of these bills is my own, S. 1566. I have already had an opportunity to conduct certain hearings for the Senate Committee on Government Operations investigating this whole matter. I am hopeful that additional hearings will be scheduled on this question in the near future.

There being no objection, the resolution was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Whereas the Mahanomen County Board of Commissioners has indirectly received information that the United States Government is considering the acquisition of land in Mahanomen County, Minn., for use by the Armed Forces; and

Whereas said Mahanomen County is extremely low in taxable valuation and needs every dollar of taxable value; and

Whereas there are now thousands of acres of land not on the tax rolls in said County of Mahanomen: Now, therefore, be it

Resolved, That, if the United States Government does acquire land in the said County of Mahanomen, the authorized agency thereof be, and hereby is respectfully requested not to purchase lands from which a tax revenue is being derived.

FEDERAL AID TO HIGHWAYS—STATEMENT AND RESOLUTIONS

Mr. WILEY. Mr. President, the eyes of the Nation are following very closely

the developments on the House of Representatives side, dealing with the new Federal-aid-to-highway legislation.

I present a statement which I forwarded to a conference called on Washington's Birthday, broadly representative of the vast number of Wisconsin groups interested in improving the Nation's highway program.

I append to it three resolutions on this subject: the first, adopted by the Wisconsin section of the American Society of Civil Engineers; the second, adopted by the Washburn County Good Roads Association, and Federal Labor Union, No. 19985.

I ask unanimous consent that these four items be printed in the RECORD.

There being no objection, the statement and resolutions were ordered to be printed in the RECORD, as follows:

SENATOR WILEY STRESSES URGENT NEED FOR HIGHWAY PROGRAM

(Excerpts from statement by Senator ALEXANDER WILEY, Republican, of Wisconsin, to the Wisconsin Conference on the Federal Highway Program, February 22, 1956, Madison, Wis.)

We all agree that one of our Nation's most urgent needs is indeed for improving and expanding our highway system. Our 1965 traffic, based on 81 million vehicles, is estimated to exceed 800 billion vehicle miles per year. As you all know, our existing highways system is not anywhere near sufficient adequately to handle this gigantic flow.

The expansion of our highways—interstate, primary, secondary, and urban—is essential to our continued growth and development. We are aware of the benefits that will accrue. There will be better thoroughfares for regular motoring and tourism, as well as better feeder roads for access to farms, factories, small towns, and other points. Improved highways will help to diminish our tragic tolls of death and injuries, and severe economic losses resulting from traffic tieups.

In addition, the program for expansion and development will, in itself, be an economic shot in the arm for the building trades and for the Nation, and will provide needed economic insurance for the future.

An additional point that we might all remember is that a complete, well-integrated system of highways is essential for civil and national defense.

In the event of war the 48 States may be under attack, with a resulting disruption of traffic and communications. We must not lessen our chances of survival by being short-sighted, penny wise, and pound foolish in failing to provide adequate routes and alternate routes for defense traffic.

We come to the heart of the problem before us—exactly how to finance highway expansion.

As you are all aware, the alternative Fallon bill, the Boggs bill, the AAA program, and other proposals are before the Public Works and Ways and Means Committees of the House of Representative. These proposals offer different and controversial methods of resolving the important financial question. A compromise must be achieved to avoid delay of the much-needed program.

The objective, of course, is to provide an equitable distribution of the financial burden. What proportion should be borne by the trucking industry, and what fraction by the auto-traveling public—represents a difficult problem which must be worked out carefully and objectively. No one group may prove 100 percent satisfied in the long run, but a compromise should prove feasible which would be fairly acceptable to almost all groups.

You may be assured that—unless unfair provisions are written into the final bill on

the House side or in conference committee—I will give my full support to legislation to effect this program.

RESOLUTION ADOPTED FEBRUARY 22, 1956, BY THE BOARD OF DIRECTORS OF THE WISCONSIN SECTION OF THE AMERICAN SOCIETY OF CIVIL ENGINEERS RELATIVE TO PROPOSED FEDERAL-AID HIGHWAY PROGRAM

Whereas there is general agreement of an existing need for improved highway facilities, both rural and urban, to keep abreast with the everincreasing traffic problem; and

Whereas recent studies indicated the value of developing an extensive Interstate Highway System, and, at the same time, maintaining the existing established Federal-aid highway systems; and

Whereas the State of Wisconsin, its counties and local units of government, would materially benefit from an augmented Federal highway program; and

Whereas the additional cost of developing the proposed highway facilities is beyond the ability and capacity of State and local governmental units to finance such projects: Now, therefore, be it

Resolved, That the board of directors of the Wisconsin section of the American Society of Civil Engineers does hereby request the Senators and Representatives from the great State of Wisconsin to give due consideration to the need for an adequate and improved Federal highway program and vote favorably for the adoption of a sufficient and adequate highway bill including increased funds for the development of an extensive Interstate Highway System, and the continuance of substantial aids for the existing established Federal highway systems in both urban and rural areas; and be it further

Resolved, That the secretary of the Wisconsin section be directed to submit a copy of this resolution to each of Wisconsin's Senators and Representatives as promptly as possible.

WASHBURN COUNTY GOOD ROADS ASSOCIATION, Spooner, Wis., December 19, 1955.

The Washburn County Good Roads Association, an affiliate of the Wisconsin Good Roads Association, meeting at Spooner, Wis., Monday, December 19, passed the following resolution:

"Whereas the Congress of the United States has under consideration the question of a national highway program to be designed to meet the requirements of our rapidly increasing interstate highway traffic and to provide adequate extensions and replacements to handle present-day transportation needs: Be it

Resolved, That in the forthcoming session of Congress our Senators and Representatives give their attention and efforts toward building such a program, which, it is generally conceded, is a present necessity."

A copy of the resolution to be presented to Senators WILEY and MCCARTHY and to Representative ALVIN E. O'KONSKI.

JOHN S. CHICHESTER,
Chairman.

CHARLES L. LEWIS.
FRANCIS LINK.
WM. W. STEWART.
LAVERNE WEST.

Whereas America faces a grave crisis because more and more vehicles daily crowd highways, a burden which will double by 1970; and

Whereas lagging highway construction and hit-and-miss planning has contributed to this situation in the past; and

Whereas it is estimated that poor highways cost taxpayers some \$4 billion yearly in deaths, accidents, and high insurance rates; and

Whereas better roads will not only benefit all citizens in this Nation on wheels, but are

necessary to national defense, economic expansion, and full employment; Therefore be it

Resolved, That we are opposed to the recommendation as contained in the Weeks' committee report for the financing of such a program; and be it further

Resolved, that Federal Labor Union, No. 19985, on behalf of its members, urge its United States Senators and Representatives in Washington to support and promote a bold, long range program for highway construction whose costs will be equitably distributed among all segments of the population of this country.

Adopted this 24th day of February 1956, at Kenosha, Wis.

DEXTER LEWIS,
Recording Secretary, Frost Federal Labor Union, No. 19985.

CERTAIN RECOMMENDATIONS OF THE HOOVER COMMISSION—RESOLUTION

Mr. ALLOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the San Luis Valley Electric Cooperative, Inc., at its annual meeting at Monte Vista, Colo., on February 1, 1956, concerning certain recommendations of the Commission on Organization of the Executive Branch of the Government.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Commission on Organization of the Executive Branch of the Government, commonly known as the Hoover Commission, has recommended that the Rural Electrification Administration be abolished, that the so-called preference clause be abolished, that the Government no longer finance the construction of transmission lines or make loans for generating plants; and

Whereas the adoption of any of these recommendations would, in the opinion of the members of this cooperative, mean the swift strangulation of rural electric cooperatives and their speedy acquisition by the private power monopolies: Now, therefore be it

Resolved, That the San Luis Valley Rural Electric Cooperative, Inc., is unalterably opposed to these recommendations and strongly urge their rejection; be it further

Resolved, That copies of this resolution be sent to the members of the Colorado congressional delegation and to the chairmen of the Agricultural Committee of the United States Senate and House of Representatives.

FEDERAL AID HIGHWAY PROJECTS; RESOLUTION OF PUBLIC SERVICE COMMISSION OF NORTH DAKOTA

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a resolution adopted by the Public Service Commission of the State of North Dakota with reference to Federal-aid highway projects.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE PUBLIC SERVICE COMMISSION, STATE OF NORTH DAKOTA

Whereas the construction of Federal-aid highway projects frequently require relocation of electric supply and communication lines; and

Whereas the expense involved in relocating electric supply and communication lines tends to increase the cost of furnishing electric and telephone service, particularly

for rural electric and telephone cooperatives; and

Whereas it is our belief that the cost of relocating electric supply and communication lines to accommodate construction of Federal-aid highway projects should be considered a part of the cost of highway construction and borne by those who benefit from the highway program; now, therefore, be it

Resolved, That the North Dakota Public Service Commission urge the Congress to enact legislation providing that electric supply and communication companies be reimbursed for the net cost of relocating their facilities to accommodate Federal-aid highway projects; and be it further

Resolved, That a copy of this resolution be sent to each United States Senator and Representative from the State of North Dakota. Dated at Bismarck, N. Dak., this 2d day of February 1956.

PUBLIC SERVICE COMMISSION,
MARTIN VAALER, *President*.
ERNEST D. NELSON, *Commissioner*.

Attest:

ELMER OLSON, *Secretary*.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 767. A bill for the relief of Andrew Rosner (Rept. No. 1573);

S. 1881. A bill for the relief of Vittorio Ventimiglia (Rept. No. 1574);

S. 1975. A bill for the relief of Jenny Antoinette V. Ingram (Rept. No. 1575);

S. 2012. A bill for the relief of Chong You How (also known as Edward Charles Yee), his wife, Eng Lai Fong, and his child, Chong Yim Keung (Rept. No. 1576);

S. 2042. A bill to restore the jurisdiction of the district courts in certain civil actions brought against the United States (Rept. No. 1577);

S. 2345. A bill for the relief of Lilu Yuen Chuang (Rept. No. 1578);

S. 2666. A bill for the relief of Catherine Toews (Rept. No. 1579);

S. 2686. A bill for the relief of Giuseppe Boni (Rept. No. 1580);

H. R. 944. A bill for the relief of Nicola Teodosio (Rept. No. 1581);

H. R. 1492. A bill for the relief of Krsevan Spanjol (Rept. No. 1582);

H. R. 1912. A bill for the relief of Howard Rieck (Rept. No. 1583);

H. R. 1973. A bill for the relief of Mrs. Chiu-An Wang (nee Alice Chiacheng Sze) (Rept. No. 1584);

H. R. 3557. A bill to further amend the act of July 3, 1943 (ch. 189, 57 Stat. 372), relating to the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or certain civilian employees of the United States, by removing certain limitations on the payment of such claims and the time within which such claims may be filed (Rept. No. 1585);

H. R. 4181. A bill for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co. (Rept. No. 1586);

H. R. 6532. A bill for the relief of John William Scholtes (Rept. No. 1587); and

H. R. 6617. A bill for the relief of Boris Kowderda (Rept. No. 1588).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1411. A bill for the relief of Marion Drucker (Rept. No. 1589);

S. 1533. A bill for the relief of John Nicholas Christodoulis (Rept. No. 1590);

S. 1687. A bill for the relief of Lydia G. Dickerson (Rept. No. 1591);

S. 1734. A bill for the relief of Johann Antonius Tudhope and Walda Fedor Tudhope (Rept. No. 1592);

S. 2016. A bill for the relief of Lawrence F. Kramer (Rept. No. 1593);

S. 2697. A bill for the relief of Kimiko Yamada Clark (Rept. No. 1594);

H. R. 1082. A bill for the relief of Golda I. Stegner (Rept. No. 1595);

H. R. 1495. A bill for the relief of Joseph J. Porter (Rept. No. 1596);

H. R. 2946. A bill for the relief of Eugene Dus (Rept. No. 1597); and

H. R. 3996. A bill to further amend the Military Personnel Claims Act of 1945 (Rept. No. 1598).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1929. A bill for the relief of Regina M. Knight (Rept. No. 1599).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

S. 1008. A bill for the relief of Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright (Rept. No. 1600);

H. R. 1806. A bill to amend the act entitled "An act to incorporate the Roosevelt Memorial Association," approved May 31, 1920, as heretofore amended, so as to permit such corporation to consolidate with Women's Theodore Roosevelt Memorial Association, Inc. (Rept. No. 1601); and

H. R. 5876. A bill to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works (Rept. No. 1602);

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, with amendments:

S. 1146. A bill to further amend section 20 of the Trading With the Enemy Act, relating to fees of agents, attorneys, and representatives (Rept. No. 1603).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,
The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Charles K. Rice, of New Jersey, to be an Assistant Attorney General, vice H. Brian Holland, resigned;

Joseph P. Lieb, of Florida, to be United States district judge for the southern district of Florida;

John M. Cashin, of New York, to be United States district judge for the southern district of New York;

Ross Ritzley, of Oklahoma, to be United States district judge for the western district of Oklahoma, vice Edgar S. Vaught, retiring;

Oliver Gasch, of the District of Columbia, to be United States attorney for the District of Columbia for a term of 4 years, vice Leo A. Rover, elevated;

John Wesley Thompson Falkner IV, of Mississippi, to be United States marshal for the northern district of Mississippi for a term of 4 years (reappointment);

Oliver H. Metcalf, of Pennsylvania, to be United States marshal for the middle district of Pennsylvania;

Albert Di Meolo, of Pennsylvania, to be United States marshal for the western district of Pennsylvania;

Santos Buxo, Jr., of Puerto Rico, to be United States marshal for the district of Puerto Rico; and

Louis F. Kreek, of the District of Columbia, to be an Examiner-in-Chief in the Patent Office, Department of Commerce.

By Mr. BUTLER, from the Committee on the Judiciary:

R. Dorsey Watkins, of Maryland, to be United States district judge for the district of Maryland; and

Gerald Francis Bracken, of Maryland, to be United States marshal for the district of Maryland.

By Mr. WILEY, from the Committee on the Judiciary:

Lyle F. Milligan, of Wisconsin, to be United States marshal for the eastern district of Wisconsin for a term of 4 years, vice Clemens F. Michalski, resigned.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Ewing T. Kerr, of Wyoming, to be United States district judge for the district of Wyoming.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina (for himself and Mr. CARLSON):

S. 3287. A bill to authorize the training of Federal employees at public or private facilities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LANGER:

S. 3288. A bill to relieve certain veterans from liability for repayment of amounts erroneously paid to them while members of the Armed Forces; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 3289. A bill to authorize the coinage of standard silver dollars in commemoration of the Nevada Silver Centenary and the 100th anniversary of the discovery of the Comstock Lode at Virginia City, Nev.; to the Committee on Banking and Currency.

(See the remarks of Mr. BIBLE when he introduced the bill, which appear under a separate heading.)

By Mr. BUTLER:

S. 3290. A bill to provide for the appointment of a Chief of Chaplains of the United States Air Force; to the Committee on Armed Services.

S. 3291. A bill to provide for the demolition of certain temporary buildings in the District of Columbia, the construction of permanent-type replacements, and for other purposes; to the Committee on Government Operations.

By Mr. BRIDGES:

S. 3292. A bill for the relief of Mrs. Maria (Schandl) Cote; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 3293. A bill to extend the provisions of the act of April 6, 1949, relating to special livestock loans, to producers of hogs; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 3294. A bill for the relief of Manuel Saborido-Bures; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 3295. A bill to amend the act of April 28, 1953, relating to daylight-saving time in the District of Columbia; to the Committee on the District of Columbia.

By Mr. FULBRIGHT (for himself and Mr. SPARKMAN):

S. 3296. A bill to amend the Federal National Mortgage Association Charter Act to

encourage private transactions in FHA insured and VA guaranteed mortgages at stabilized prices which approach or equal par value of such mortgages, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania (by request):

S. 3297. A bill to amend and improve the child welfare provisions of the Social Security Act, to authorize special project grants to institutions of higher education or research in connection with maternal and child health and crippled children's services, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. MARTIN of Pennsylvania when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS (for himself and Mr. EASTLAND):

S. 3298. A bill to provide for the return of certain property to the city of Biloxi, Miss.; to the Committee on Labor and Public Welfare.

By Mr. JOHNSON of Texas (for himself and Mr. KNOWLAND):

S. J. Res. 150. Joint resolution to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors; considered and passed.

(See the remarks of Mr. JOHNSON of Texas when he introduced the above joint resolution, which appear under a separate heading.)

REPAYMENT OF AMOUNTS ERRONEOUSLY PAID TO CERTAIN VETERANS

Mr. LANGER. Mr. President, a great many veterans have received pay erroneously, and there are hundreds of such cases pending. I introduce for appropriate reference, a bill to take care of that situation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3288) to relieve certain veterans from liability for repayment of amounts erroneously paid to them while members of the Armed Forces, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

COINAGE OF STANDARD SILVER DOLLARS IN COMMEMORATION OF NEVADA SILVER CENTENARY AND 100TH ANNIVERSARY OF DISCOVERY OF COMSTOCK LODGE

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to authorize the coinage of standard silver dollars in commemoration of the Nevada Silver Centenary and the 100th anniversary of the discovery of the Comstock Lode at Virginia City, Nev.

This bill would authorize the issuance of not less than 500,000 silver dollars for general circulation.

Today, Virginia City, sometimes called America's liveliest ghost town, is making plans to become the hub of a Statewide celebration in 1959 commemorating this opening chapter in Nevada's statehood. My State wants the entire country to join in this tribute to those hardy workmen

who took \$1 billion worth of gold and silver from beneath Virginia City.

It was this greatest of all silver and gold deposits in the world which made its mark on American history, at one time making Virginia City the most powerful city west of Chicago. This bullion, wanted by the North in the Civil War to help save the Union, played probably the greatest role in bringing about Nevada's Statehood in 1864.

The influence of this great new wealth built San Francisco into a world financial center. At one time when a new rich vein of silver was discovered on the Comstock, the German Empire made haste to get off the silver standard.

Of the 40,000 fortune seekers who crowded Virginia City in its hey-day, few achieved riches, but those who did, read like an early American Who's Who.

It was the silver found by one whiskered laborer, George Hearst, which would bring prominence to its finder. The same silver helped his son build a great newspaper empire.

It was the millions found by John Mackay which laid the first transatlantic cable, and consolidated the cable and telegraph operations of this country into a world system known as Postal Telegraph.

Later Marcus Daly became America's "copper king" and Adolph Sutro one of San Francisco's great mayors. Darius Mills founded a great banking firm, when he started the Bank of California.

It was up to Sandy Bowers, who had silver doorknobs at his mansion, to startle the European continent by offering to buy the Arch of Triumph from the French Government while visiting in Paris.

Fame came to others who did not dig gold and silver. A young reporter on one of Virginia City's four daily newspapers signed his articles "Mark Twain."

Today, Virginia City is steeped in history of the passing scene, but the memories live on.

The State of Nevada hopes that Americans everywhere will join in honoring this 100th anniversary of the Comstock Lode's discovery, a never-to-be-forgotten chapter in this country's history.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3289) to authorize the coinage of standard silver dollars in commemoration of the Nevada Silver Centenary and the 110th anniversary of the discovery of the Comstock Lode at Virginia City, Nev., introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

AGRICULTURAL ACT OF 1956, RELATING TO SPECIAL LIVESTOCK LOANS TO PRODUCERS OF HOGS—AMENDMENT AND BILL

Mr. CAPEHART. Mr. President, I submit an amendment, intended to be proposed by me to Senate bill 3183, the unfinished business. I ask that it be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. CAPEHART. I introduce, for appropriate reference, a bill to extend the provisions of the act of April 6, 1949, relating to special livestock loans, to producers of hogs. The bill and amendment would amend the Agricultural Act to include hogs. I do not know why they were left out in the first place, because hogs certainly are as much livestock as goats or cows.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a pamphlet issued by the United States Department of Agriculture entitled "Special Livestock Loans."

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the pamphlet will be printed in the RECORD.

The bill (S. 3293) to extend the provisions of the act of April 6, 1949, relating to special livestock loans, to producers of hogs, introduced by Mr. CAPEHART, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The pamphlet presented by Mr. CAPEHART is as follows:

SPECIAL LIVESTOCK LOANS

PURPOSE

The special livestock loan program is designed to help livestock producers continue their normal operations.

WHO MAY BORROW

Established producers and feeders of cattle, sheep, and goats, except commercial feed-lot operators, who:

1. Are temporarily unable to get from commercial banks, cooperative lending agencies, or other responsible sources, the credit needed to continue their normal livestock operations.
2. Have a good past record of livestock operations.
3. Have reasonable prospects for success with the help of a loan.

USES OF LOAN FUNDS

These loans are made to meet usual expenses necessary to successful livestock operations, such as the purchase or production of feed, and replacing, hiring, or repairing of farm machinery and equipment. Loans also may be made for the limited restocking of herds, if the applicant can carry his present herd, plus the additional livestock to be purchased, without buying a substantial portion of his feed. Loans are not made to expand operations substantially or to pay existing debts, except current incidental bills.

LOAN TERMS

Loans bear 5 percent interest and are to be repaid as rapidly as possible, according to a schedule based on the applicant's ability to repay, but may not extend beyond 3 years. Loans will be secured in their full amount by the personal obligation and available security of the applicant. Other creditors are not asked to subordinate their liens, but are expected to stand by and to agree that a reasonable part of the applicant's normal income from livestock can be used in repaying the loan. The standby agreement is required to give the farmer a fair chance to work out of his difficulties resulting from the emergency.

LOAN APPROVAL

A State or local livestock loan committee, appointed by the Secretary of Agriculture, decides whether the applicant is eligible

and approves the loan. An application for a loan of more than \$50,000 must have final approval by the Secretary.

WHERE TO APPLY

Applications for special livestock loans may be made at county offices of the Farmers' Home Administration.

AUTHORITY

Public Law 38, 81st Congress, as amended, provides authority for making special livestock loans through July 13, 1957. After that date, and through July 14, 1959, special livestock loans may be made only to borrowers indebted for such loans.

AMENDMENT OF FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT

Mr. FULBRIGHT. Mr. President, on behalf of myself, and the Senator from Alabama [Mr. SPARKMAN], I introduce for appropriate reference, a bill to make several changes in the Charter Act of the Federal National Mortgage Association. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3296) to amend the Federal National Mortgage Association Charter Act to encourage private transactions in FHA insured and VA guaranteed mortgages at stabilized prices which approach or equal par value of such mortgages, and for other purposes, introduced by Mr. FULBRIGHT (for himself and Mr. SPARKMAN), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. FULBRIGHT is as follows:

STATEMENT BY SENATOR FULBRIGHT

I wonder how many Senators are aware of what it costs to borrow money to buy a house in this country? I'm not talking about the price of the house, the interest rate, the taxes and insurance, or the so-called closing charges—I refer merely to the fee charged by lenders when purchasing loans insured or guaranteed under the FHA and VA programs.

In order to get a 30-year \$10,000 Government-guaranteed loan, at 4½ percent interest, this is what the home buyer or the home builder, or both, must pay to the lender:

1. Three hundred dollars in the States of Connecticut, Delaware, Illinois, Massachusetts, New Jersey, New York, Ohio, Pennsylvania, and Rhode Island.
2. Three hundred and fifty dollars in the States of Colorado, Georgia, Indiana, Maryland, Missouri, New Hampshire, North Carolina, Tennessee, Texas, Vermont, Virginia, Wisconsin, and the District of Columbia.
3. Four hundred dollars in the States of Alabama, Arizona, Arkansas, California, Florida, Iowa, Kansas, Kentucky, Maine, Michigan, Minnesota, Mississippi, Nebraska, Oklahoma, Oregon, South Carolina, Utah, and Washington.
4. Four hundred and fifty dollars in the States of Idaho, Louisiana, Montana, Nevada, New Mexico, North Dakota, South Dakota, West Virginia, and Wyoming.

In citing these figures I am relying on the quotations of the Federal National Mortgage Association. Existing law, as interpreted by the FNMA, requires it to establish purchase prices for Government-guaranteed loans at

the market price for such loans. The charges I have cited, from \$300 to \$450, are taken from the current FNMA purchase-price schedule, and, therefore, are apparently representative of what long-term private lenders are charging.

For what purposes are these charges made? Is it for some service rendered? Is it because the mortgages are inferior paper? Is it because the houses are poor securities or because the borrowers are poor risks? No; the charges are purely and simply a method of increasing yields, because the market will bear them. The maximum permissible interest rate for these virtually risk-free loans is 4½ percent. However, by charging from \$300 to \$450 discount, which is the term used to describe the fees I refer to, the lenders automatically raise the interest rate, or the yield, to an amount above the 4½-percent maximum.

Discounts are the result of supply-demand conditions in a fixed-interest, long-term, money market, and I am not condemning them, as such. I do maintain that their wide fluctuations, and their persistent high rates are unnecessary and are injurious to the stability of the national economy. The regional differentials are unfair and discriminatory, when it is considered that these mortgages are guaranteed or insured by the Federal Government.

Now it can be argued, and with considerable persuasion, that the only solution is to support the mortgage market with unlimited amounts of Federal money during periods of long-term money shortages. While I admit that such action would undoubtedly support a par market for FHA and GI loans, I do not admit that this is the only way to relieve the situation.

I believe that the modest amounts now available to the Federal National Mortgage Association can be used to reduce discounts. The FNMA interpretation of existing law causes it to follow the market, whereas I believe the proper role of that Association should be to lead the market, or at least to influence it in the direction of stability and nondiscrimination merely on the basis of the State in which a mortgage originates. Furthermore, I believe that existing requirements, regarding the purchase of FNMA stock by mortgage sellers, enables further increases in discounts to be charged by other purchasers in the secondary-mortgage market. If FNMA quotes a price of 95 percent, less one-half percent for service fee, less 3 percent for FNMA stock, the seller actually receives only 91½ percent of the mortgage amount. Thus, the effective price offered by FNMA in the market place is not 95 percent, which is represented as the market price, but is 91½ percent, which is the actual liquid return offered by FNMA. The practical effect of this is to lower the market price to somewhere between 91½ and 95 percent.

Nobody knows with any degree of certainty what actual quotations are made in the secondary-mortgage market. One may make informed judgments based on specific transactions, but this market is not published like the prices for stocks, bonds, agricultural commodities, and other items traded daily in the American economy. I believe that the agencies of the Government and the public in general deserves more specific information about discounts in the secondary market for Government-guaranteed mortgage loans.

For these reasons I am introducing a bill with three major purposes. First, my bill revises section 303 (b) of the FNMA Charter Act in the following ways:

- (a) Whereas existing law requires the seller of a mortgage to the FNMA to buy at least 3 percent of the mortgage amount in FNMA stock, this bill would establish a formula under which the stock purchase requirement would vary from zero to 3 percent; and

- (b) The variable stock purchase requirement would operate so that if the FNMA purchase price is 95½ percent or below, then no stock purchase is required; if the FNMA purchase price is 96 percent, then only one-half percent stock purchase could be required; if the FNMA purchase price is 96½ percent, then only 1 percent stock purchase could be required, and so on. If the FNMA purchase price is 98½ percent or above, then up to 3 percent in stock purchase could be required.

If discounts cause purchase prices to drop to 95½ percent, then the present stock purchase requirement only serves to further depress the market. I believe that this formula for varying the stock purchase requirement will tend to lower discounts without causing an unreasonable increase in FNMA purchasing activity.

Secondly, my bill revises section 304 (a) of the FNMA Charter Act to change the bases upon which the association determines its purchase price schedules. Under existing law the association establishes its purchase prices at the market price for the particular class of mortgage loans involved. This language has been interpreted to cause the association to follow the market and thereby tends to influence the market downward. My bill would require the association to fix its prices under three criteria, as follows:

- (a) Its prices should promote stability in the secondary market, and reduce price discriminations between different geographical areas;
- (b) Its prices should reasonably prevent excessive use of the association's facilities; and
- (c) Its prices should permit the association to operate within its income.

I believe that price schedules fixed under these criteria will enable the association to influence the market upward and toward a more uniform national price without an unreasonable increase in its purchasing activities.

Thirdly, my bill requires the FHA and the VA to gather and analyze data with respect to sales of insured and guaranteed mortgage loans, and thereby build up a precise body of knowledge on the subject of discounts. I understand that this work will not add appreciably to the administrative expenses of the FHA, since that agency already requires reports of trading in insured mortgage loans. The gathering of this data may involve a small additional expense to the VA. However, it would be well worth while.

I cannot state too strongly my opinion that something must be done to equalize the cost of home financing in the various sections of the country. The savings of the people of the South, Southwest, and Far West flow into the eastern money markets, and are being sent back to these people at added costs for which there is no reasonable justification.

CHILD-HEALTH AND WELFARE AMENDMENTS OF 1956

Mr. MARTIN of Pennsylvania. Mr. President, in his state of the Union message, President Eisenhower stated that needs in the area of social welfare include increased child-welfare services. In his budget message, the President stated that he was recommending increased appropriations to expand grants to States for child welfare services.

At the request of the Secretary of Health, Education and Welfare, I introduce, for appropriate reference, a bill to provide those improvements, as recommended by the President.

I ask unanimous consent to have printed in the RECORD a detailed statement of the purposes of the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3297) to amend and improve the child welfare provisions of the Social Security Act, to authorize special project grants to institutions of higher education or research in connection with maternal and child health and crippled children's services, and for other purposes, introduced by Mr. MARTIN of Pennsylvania (by request), was received, read twice by its title, and referred to the Committee on Finance.

The statement, presented by Mr. MARTIN, is as follows:

STATEMENT BY SENATOR MARTIN OF PENNSYLVANIA

The bill which I have just introduced, at the request of the Secretary of Health, Education and Welfare, incorporates the President's recommendations with regard to increased child welfare services. This will also improve certain provisions of the present law pertaining to grants for maternal and child health, and crippled children's services, which are also authorized under the same title, namely, title V, of the Social Security Act.

Increased child welfare services are urgently needed so that these social services may be made available to more children who need them. Children who are homeless, children who are neglected or abused, and children who are in danger of becoming delinquent are among the children who receive protection through these services.

During the past 20 years, with the help of Federal child welfare funds under the Social Security Act, States have broadened and multiplied their activities in behalf of these children, particularly in rural areas. Despite this progress, over 14 million children are living in communities, both urban and rural, where the services of a public child welfare worker are not available.

In many urban communities, the combined programs of both public and voluntary agencies are inadequate to meet the need for child welfare services. The shortage of these services is a major gap in many community programs for the prevention of juvenile delinquency.

The present law requires that Federal child welfare funds be used for local child welfare services only in predominantly rural areas. The Commission on Intergovernmental Relations recommended to the President of the United States that "Federal financial support for child welfare services be made generally available not only in rural areas, as at present, but also in urban areas, where serious need exists for this program."

Improvement is needed in the kind of foster care many children are receiving and in the quality of this service. In some States children are kept in institutions because of inadequate foster-family service. In other States, children are kept in foster-family care too long because workloads are too high. In many communities the inadequacy of foster-care services is a major factor contributing to the black market in babies.

The bill I have introduced is designed to enable the States to expand their child-welfare services and to make them available in urban areas as well as in rural areas. It provides for increasing the authorization for appropriation of funds for child-welfare services from \$10 million annually to \$12 million for the fiscal year 1958 and \$15 million annually thereafter. It removes the restrictions limiting to predominantly rural areas the use of Federal funds for local child-

welfare services. It gives greater emphasis to foster care by making explicit that Federal child-welfare funds may be used for extension and improvement of foster care.

This bill also would stimulate and encourage special projects of regional or national significance, in all three programs under title V of the Social Security Act, namely, maternal and child health, crippled children's, and child-welfare services. It provides for earmarking (in the annual appropriation) a portion of the grants for each of these programs to be used for grants for special projects of regional or national significance. These special project grants would be available not only to the respective official State agencies, but with their concurrence, to any public or nonprofit institution of higher education or research.

A number of other important changes would be made in the present provisions of title V of the Social Security Act, as summarized below. These child health and welfare amendments of 1956 reemphasize the concern of our Nation for protecting the well-being of our children. If enacted, these amendments would enable the States to extend their child-welfare services and to make more livable the lives of many children now deprived of the benefits of these services.

SUMMARY OF CHILD-HEALTH AND WELFARE AMENDMENTS OF 1956

The bill would amend part 3 of Title V of the Social Security Act, relating to child welfare services, in a number of respects. It would also amend parts 1 and 2 of that title, relating to maternal and child health and crippled children's services, with respect to special project grants. These amendments would be effective July 1, 1956.

CHILD WELFARE SERVICES

Rural areas: The present limitations requiring that Federal child welfare funds may be used for local child welfare services only in predominantly rural areas would be removed. This would give greater flexibility to the States. Federal funds could be used in any part of the State where they are effective in establishing, extending, and strengthening child welfare services. Emphasis would, however, continue to be placed on services in rural areas, as in the maternal and child health and crippled children's provisions of the present law.

Foster care: The bill would make explicit the authority to use Federal funds for the extension and improvement of foster care.

Amount authorized for annual appropriation: The amount authorized for annual appropriations for grants to the States for child welfare services would be increased from the present \$10 million to \$12 million for the fiscal year ending June 30, 1958, and to \$15 million for each year thereafter.

Allotment formula: In order to make the allotment of funds consistent with the above changes concerning rural areas and foster care, the bill would change the present statutory formula under which allotment is made entirely on the basis of rural child population under the age of 18. Allotments to the States of funds appropriated in any year for this purpose would, instead, be made (after a flat allotment) on the basis of the need of each State for financial assistance in carrying out its plan, as determined by the Secretary of Health, Education, and Welfare after considering the relative population under 21 and the relative rural population under that age.

The flat allotment referred to above, which would be made first would be \$40,000 if the appropriation were \$10 million. It would be reduced proportionately if the appropriation were less than \$10 million and would be raised proportionately if the appropriation were increased to the higher amounts authorized by the bill.

Matching: Each State's allotment would be available for paying the Federal share of

the cost of the expenditures under the State plan, with the balance being made up from State and local funds. The Federal share would vary inversely with the State's relative per capita income between a minimum of 33 1/3 percent and a maximum of 66 2/3 percent, with the share for the State with a per capita income equal to that for the United States being 50 percent. The Federal share for Alaska and Hawaii would be set at 50 percent and for the Virgin Islands and Puerto Rico at 66 2/3 percent.

Reallotment: A new provision would be added to permit redistribution of Federal funds, after a State certifies that any portion of its allotment will not be required for its program. The portions so certified would be reallotted from time to time to other States which the Secretary determines have need for and will be able to use amounts in excess of their original allotments. The reallotment among these States would be based on their State plans after taking into consideration the relative size of the population under age 21, the relative size of the rural population under such age, and the relative per capita income of the States eligible for the reallotment.

Special project grants: A new provision would authorize up to 15 percent of the funds appropriated for grants for child welfare services to be earmarked (in the appropriation) for grants for special projects of regional or national significance. These special project grants would be available to State public welfare agencies, and, with the concurrence of such agencies, to any public or nonprofit institution of higher education or research.

Return of runaway children: The bill changes the present law by raising the age limit of children who may be returned to their community in another State through the use of Federal child welfare funds from 16 to 18 years, and adding authorization for the use of these funds for maintaining the children pending their return (for a period not exceeding 15 days). These costs, and the costs of the return of the child, could be met when they cannot be met by those legally responsible for the child's support.

SPECIAL PROJECTS RELATING TO MATERNAL AND CHILD HEALTH SERVICES

The bill authorizes up to 12 1/2 percent of the annual appropriation for grants for maternal and child health services to be earmarked (in the appropriation) for special projects of regional or national significance. This percentage represents the same proportion of the total annual appropriation as is reserved at present for special project grants. These special project grants would be available not only to the State agencies administering the State plans, as at present, but also, with their concurrence, to other public and nonprofit institutions of higher learning or research.

SPECIAL PROJECTS RELATING TO CRIPPLED CHILDREN'S SERVICES

Amendments, similar to those described above for maternal and child health services, would be made by the bill in the crippled children's provisions of the Social Security Act.

PRINTING AND BINDING OF AN EDITION OF SENATE PROCEDURE

Mr. JOHNSON of Texas. Mr. President, at the desk is a joint resolution which has been introduced on behalf of myself and the minority leader, the Senator from California [Mr. KNOWLAND]. I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The resolution will be stated by title for the information of the Senate.

The legislative clerk read the joint resolution (S. J. Res. 150), the first time by its title, and the second time, at length, as follows:

Resolved, etc., That there shall be printed and bound for the use of the Senate 1,500 copies of Senate Procedure, to be prepared by Charles L. Watkins, Parliamentarian, and Floyd M. Riddick, Assistant Parliamentarian, to be printed under the supervision of the authors and to be distributed to the Members of the Senate.

Sec. 2. That, notwithstanding any provision of the copyright laws and regulations with respect to publications in the public domain, such edition of Senate Procedure shall be subject to copyright by the authors thereof.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDENT pro tempore. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 150) was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL ACT OF 1956— AMENDMENTS

Mr. AIKEN submitted an amendment, intended to be proposed by him, to the bill (S. 3183) to provide an improved farm program, which was ordered to lie on the table and to be printed.

Mr. BUTLER submitted amendments, intended to be proposed by him, to Senate bill 3183, supra, which were ordered to lie on the table and to be printed.

Mr. GEORGE submitted amendments, intended to be proposed by him, to Senate bill 3183, supra, which were ordered to lie on the table and to be printed.

Mr. KERR submitted an amendment, intended to be proposed by him, to Senate bill 3183, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY. Mr. President, I submit amendments, intended to be proposed by me, to the bill (S. 3183) to provide an improved farm program. I ask unanimous consent that the amendments may be printed, printed in the RECORD, and ordered to lie on the table.

The PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 3, between lines 22 and 23, insert the following:

"PRICE SUPPORTS—FEED GRAINS

"Sec. 104. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"Sec. 204. (a) The Secretary shall make available through loans, purchases, or other operations price support at a level of not less than 90 percent of their respective parity prices to cooperators for any crop of barley, oats, rye, and grain sorghums with respect to which two-thirds of the producers of such commodities voting in a referendum held by the Secretary for such purpose vote to approve the program provided by this section. Such referendum for the 1956 crop

shall be held not later than May 1, 1956, and for any subsequent crop not later than January 1 of the year in which such crop is planted.

"(b) The provisions of subsection (a) shall not apply in any year to commodities produced on any farm on which the cultivated acreage exceeds 20 acres unless—

"(1) there is withheld from cultivation, grazing, and all other revenue producing uses an amount of acreage on such farm (in addition to any acreage placed in the acreage reserve under subtitle A of the Soil Bank Act)—

"(a) in the case of 1956 crops, not less than 20 percent of the cultivated acreage on the farm,

"(b) in the case of 1957 and subsequent crops, not less than such percentage of the cultivated acreage on the farm as the Secretary determines may be so withheld without impairing supplies of agricultural commodities needed to meet domestic and export requirements;

"(2) the acreage withdrawn from use in accordance with paragraph (1) has not been withdrawn for the purpose of such paragraph in any prior year, until all other acreage on such farm has been so withdrawn for prior years.

"In determining, for the purposes of this section, the total cultivated acreage on any farm, or any percentage thereof, there shall be included all acreage regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage), and there shall be excluded any acreage covered by a contract entered into under subtitle B of the Soil Bank Act. The percentage proclaimed by the Secretary under paragraph (1) (b) shall not be more than 15 percent, and shall be uniform for all farms. Such proclamation shall be made prior to the holding of the referendum under subsection (a)."

On page 4, between lines 22 and 23, insert the following:

"LIMIT ON PRICE SUPPORT

"Sec. 107. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"Sec. 421. The total amount of price support made available under this Act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$25,000. The term "person" shall mean any individual, partnership, firm, joint stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

On page 4, line 24, strike out "107" and insert "108."

On page 35, between lines 14 and 15, insert the following:

"MINIMUM NATIONAL ACREAGE ALLOTMENTS FOR 1956 AND 1957 CORN CROPS

"Sec. 405. Section 328 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting at the end thereof a new sentence as follows: "The acreage allotment of corn for the 1956 and 1957 crops shall not be less than 49 million acres in the commercial corn-producing area."

On page 35, line 16, strike out "405" and insert "406."

Mr. HUMPHREY. Mr. President, on behalf of myself and the Senator from Oregon [Mr. MORSE], I submit amend-

ments, intended to be proposed by us, jointly, to the bill (S. 3183) to provide an improved farm program. I ask unanimous consent that the amendments may be printed, printed in the RECORD, and ordered to lie on the table.

The PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 4, between lines 22 and 23, insert the following:

"AUTHORITY FOR PAYMENTS

"Sec. 107. (a) Section 303 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after "rice," the following: "hogs, cattle, manufacturing milk."

"(b) Such section is further amended by inserting "(a)" after the section number and adding at the end thereof a new subsection as follows:

"(b) The Secretary is authorized, at any time, to make payments for the purposes of subsection (a), with respect to any of the commodities specified therein, and to use for such purposes the funds appropriated by or for the purposes of section 32 of Public Law 320, 74th Congress, as amended (7 U. S. C. 612c)."

On page 4, line 24, strike out "107" and insert "108."

On page 25, strike out lines 16 to 20, inclusive, and insert the following:

"NATIONAL SECURITY RESERVE

"Sec. 301. (a) Notwithstanding the provisions of section 102 of the Agricultural Act of 1954, the quantity of cotton and wheat in the commodity set-aside created pursuant to section 101 of that act shall be increased to the maximum quantity provided therein, and there shall be added to such set-aside 250 million bushels of corn.

"(b) So much of section 101 of the Agricultural Act of 1954 as follows the table therein is amended to read as follows:

"Such quantities shall be known as the "national security reserve."

"Not later than December 15 of each year the President, with the advice of the National Security Council and the Administrator of Civil Defense, shall ascertain and proclaim the volume of each storable farm commodity and of each storable product of perishable and semiperishable farm commodities that should be added to the national security reserve in order to provide for the next calendar year adequate supplies of such commodities and products for the purpose of providing for emergency domestic needs for the national defense and the national welfare in the event of war or other national emergency, for the purpose of sales and donations to other nations under the Agricultural Trade Development and Assistance Act of 1954, or for use in financing and implementing economic development projects in other countries related to our security or foreign policy.

"To the maximum extent practicable, the Commodity Credit Corporation shall convert, through the usual channels of trade, agricultural commodities acquired by it through price-support operations or operations under section 32 of Public Law 320, 74th Congress, as amended (7 U. S. C. 612c), and not required for domestic consumption, export, or other food and fiber distribution programs of the Department of Agriculture, into such products as may be designated by the President under the preceding paragraph."

"(c) Sections 102 to 106, inclusive, of such act are amended by striking out the words "commodity set-aside" wherever they appear in such sections and inserting in lieu thereof the words "national security reserve."

"(d) Section 103 of the Agricultural Act of 1954, as amended, is amended to read as follows:

"SEC. 103. (a) The national security reserve shall not be reduced except (1) on order of the President at any time when in his judgment such reduction is required for purposes of the common defense, (2) in time of war or during a national emergency with respect to common defense proclaimed by the President, on order of such agency as may be designated by the President, (3) on order of the President, by transfer to the national stockpile established pursuant to the act of June 7, 1939, as amended (50 U. S. C. 98-98h), or (4) for any purpose specified in section 101 of this act.

"(b) If the quantity of any commodity or product in the national security reserve is reduced by natural or other cause beyond the control of the Corporation, there shall be restored to the national security reserve at the earliest practicable date an amount of such commodity or product equal to the amount of such reduction."

"(e) The last sentence of section 105 of the Agricultural Act of 1954, as amended, is amended by striking out '1955' and inserting '1956'.

"(f) The last sentence in section 102 (a) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is repealed."

FEDERAL AID TO EDUCATION— SCHOOL CONSTRUCTION—ADDITIONAL COSPONSORS OF BILLS

Pursuant to the order of the Senate of February 17, 1956,

The names of Mr. PAYNE, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. JOHNSTON of South Carolina, Mr. MALONE, Mr. KERR, Mr. McCLELLAN, Mr. McNAMARA, Mr. NEUBERGER, Mr. CHAVEZ, Mr. CARLSON, Mr. SPARKMAN, Mr. YOUNG, Mr. THURMOND, Mr. MURRAY, Mr. GREEN, Mr. BIBLE, Mr. KILGORE, Mr. CASE of South Dakota, Mr. KEFAUVER, Mr. HENNINGS, Mr. SYMINGTON, Mr. KUCHEL, Mr. LANGER, Mr. MANSFIELD, Mr. DOUGLAS, Mr. BUTLER, Mr. MONRONEY, Mr. JACKSON, Mr. ANDERSON, Mr. DIRKSEN, and Mr. HUMPHREY were added as additional cosponsors to the following bills, introduced by Mr. FULBRIGHT on February 17, 1956:

S. 3233. A bill to amend Public Law 874, 81st Congress, in order to establish a permanent program of financial assistance for local educational agencies under the provisions of such law, and for other purposes; and

S. 3234. A bill to amend Public Law 815, 81st Congress, in order to provide a permanent program of assistance for school construction under the provisions of titles III and IV of such law, and for other purposes.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Lincoln Day address delivered by him before Upshur County Republican leaders, at Buchanan, W. Va., on February 11, 1956.

By Mr. BUTLER:

Statement by him relative to observance of anniversary of independence of Lithuania.

By Mr. WATKINS:

Views by him concerning proposed Colorado River storage project legislation.

NOTICE OF CONSIDERATION OF NOMINATION OF FLETCHER WARREN, OF TEXAS, TO BE AMBASSADOR TO TURKEY

The PRESIDENT pro tempore. As a Senator, and as chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the nomination of Fletcher Warren, of Texas, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Turkey, vice Avra M. Warren, resigned. Notice is given that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Texas will state it.

Mr. JOHNSON of Texas. As I understand, at the close of business on Friday, the Senate gave its consent to the recognition of the distinguished Senator from Maine [Mr. PAYNE] for 20 minutes at the close of morning business today. Is that correct?

The PRESIDENT pro tempore. That is correct.

Mr. JOHNSON of Texas. I call that to the attention of my friend, the Senator from Maine.

TRIBUTE TO NORTH CENTRAL AIRLINES

Mr. WILEY. Mr. President, I should like to pay tribute to a splendid organization which means a great deal to my own State and to the surrounding area. I refer to the Nation's leading local service airline, North Central Airlines.

Last Friday, it observed its 10th anniversary. Starting with a mere 3 small planes a decade ago, its fleet has grown to 20 DC-3's. It has carried 1.3 million passengers more than 215 million miles. It now operates a 2,661-mile system, serving 43 cities in Wisconsin and 5 other States.

I salute North Central Airlines, and wish it many, many more happy landings in the years to come, and increased service to the great central area.

Every community which North Central serves has found that airline service is a vital adjunct to increased prosperity.

AMERICAN FOREIGN AID PROGRAM—ADDRESS BY SECRETARY DULLES

Mr. SMITH of New Jersey. Mr. President, on yesterday, in Philadelphia, at the forum conducted by the Philadelphia Bulletin, Secretary of State Dulles delivered an outstanding address on what he called our foreign-aid strategy. In his address he restated his own feeling, which was expressed by the President in his state of the Union message, that we should have available a flexible fund, which might run from year to year, to meet sudden emergencies which might be presented by the New Soviet

strategy. In the Secretary's address in Philadelphia, he asked for a supplementary foreign-aid fund of \$100 million a year, to be used over a period of years.

Mr. President, at this point in my remarks I ask unanimous consent that Mr. Dulles' full statement be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FREEDOM'S NEW TASK

As we meet here at Independence Square, our thoughts inevitably turn to the world scene where freedom is at stake.

It is a moment of unusual significance. The Soviet rulers are reforming their lines. The Soviet 20th Congress, which adjourned last night, was busy revising the Soviet Communist creed. We cannot yet fully appraise what has happened. And, in any event, it takes time for doctrinal changes to get fully reflected in the mind and conduct of the party members.

But two things at least we know. One is that there is already a notable shift in Soviet foreign policy. And the other is that those Soviet policies which they change are being changed not because they succeeded, but because they have been thwarted by the free world.

Until recently, the foreign policy of Soviet communism was based on fanatical intolerance of all other systems and upon the organization of violence to overthrow all other systems. Marx, Lenin, and Stalin all taught that it was necessary to hate all who differed from the Soviet Communist creed; and they also taught that only by violence could international communism achieve its destined goals.

But the free nations, when confronted by this policy, grew more strong, more resolute and more united. Consequently the Soviet pattern of hatred and violence produced ever diminishing returns.

In Europe, the defensive strength of NATO, was rounded out by the addition of the Federal Republic of Germany.

In the western Pacific, freedom was consolidated by adding to our ANZUS, Philippine and Japanese treaties, the new mutual defense treaties with Korea and with the Republic of China. And the Congress, you will recall, authorized the President to use the Armed Forces of the United States in the Formosa area, if necessary, for its defense.

In southeast Asia, the western powers joined with Asian powers in a treaty for collective security, and they transformed the Indochina struggle from a struggle against colonialism to a struggle by truly independent nations—Vietnam, Laos, and Cambodia—to maintain their freedom.

In the Middle East, the northern tier concept, without challenging the concept of Arab unity, has drawn together for collective defense 4 nations which, for 2,500 miles, lie just south of Russia's frontiers.

Back of these formulations of free world resolve lay the vast mobile power of the United States which constituted a formidable deterrent to open armed aggression.

So the Soviets had either to give up their expansionist aims or turn to other means to advance them.

Lenin and Stalin had taught that, under these circumstances, there should be no giving up, but rather a shift to new methods.

So, last year, the Soviet rulers concluded that the time had come to change basically their approach to the non-Communist world.

II

In May of 1955, the Soviet rulers signed the Austrian State Treaty; they made their pilgrimage of repentance to Tito; they offered to establish diplomatic relations with Germany and to make a belated peace with

Japan. In Asia, the Chinese Communists, at the Bandung Conference, gave at least lip service to methods other than outright violence.

The Soviet rulers trumpeted all this throughout the world as proof that Soviet Communist policy was no longer predatory.

We hoped that this was so. But we were highly skeptical. We well knew that under Leninism any tactic is admissible and that the change had come about, not through change of heart, but because old methods had failed.

On the other hand, we knew that the new Soviet tactics of increased tolerance and less dependence upon violence required a basic change in Soviet Communist doctrine. This can, in the long run, have major internal consequences and set up within Russia powerful liberalizing trends.

But the fanatical teaching of a generation cannot be erased all at once. Also the change had not gone so far that there could not almost overnight be a sudden reversal to the old practice of intolerance and violence. Also we could only safely assume that the new tactics were designed as a new means of conquest. So we did not relax our vigilance or allow our military posture to slump.

But, on the other hand, we do not assume fatalistically that there can be no evolution within Russia or that Russia's rulers will always be predatory. Some day—I would not attempt to guess when—Russia will be governed by men who put the welfare of the Russian people above world conquest. It is our basic policy to seek to advance the coming of that day.

So last spring, when Soviet conduct began to change, we determined to do all that we safely could to make that change a first installment toward an eventual Russian state that would be a normal, not abnormal, member of the society of nations.

One major step we took was to join with Britain and France to invite the Russian rulers to a conference of heads of government. At that summit Conference at Geneva President Eisenhower did more than any other man could have done to open up to the Soviet rulers the vista of a new era of friendly relations between our countries.

We cannot yet measure what has been the full effect of that Conference. The gains will be measurable only in the future. For the time being the Soviet rulers, finding that the road of intolerance and violence was blocked, have subordinated those elements of their old creed in the hope that, in a new garb, they could still pursue conquest. Now they pursue their foreign-policy goals with less manifestation of intolerance and less emphasis on violence. Their foreign policy now puts large emphasis upon seeking political cooperation with leftwing Socialists, whom formerly they detested. Finally there is heavy emphasis on trade and economic assistance. It is this economic aspect of the Soviet "new look" that I would consider today.

III

This Soviet economic campaign is a varied one. It includes the barter of surplus arms into areas where tensions were already high. There are highly publicized purchases of agricultural commodities from a few countries where mounting surpluses have exposed the vulnerabilities of economies lacking in diversity. Incidentally the Soviet bloc, with typical cynicism, has reexported some of these commodities to markets that the original sellers normally would supply. And the Soviet bloc has made loans to a selected number of countries.

This policy has been directed especially toward certain peoples in the Near East and south Asia. There the Soviet rulers believe that they can also exploit historic grievances for their own ends.

But the new Soviet policy roams far and wide. Even African and South American

countries are receiving Soviet economic propositions.

What is the import of this new economic campaign of the Soviet bloc countries?

The first thing to note is that Soviet capital exports divert resources from the Soviet people who still lack many of the ordinary decencies of life. On this we have the testimony of Mr. Khrushchev in his recent speech to the 20th Communist Party Congress. There he stated:

"It must be said that we do not yet have an adequate quantity of consumer goods, that there is a shortage of housing, and that many of the important problems connected with raising the people's living standards have not yet been solved." Still quoting Mr. Khrushchev:

"Production of many important foodstuffs and manufactured goods still lags behind growing demands. Some towns and communities are still insufficiently supplied with such items as milk, butter, and fruit. There are even cases where supplies of potatoes and other vegetables are irregular. There are also difficulties in supplying the population with certain high-grade manufactured goods."

The Soviet Union, of course, has the capacity to do much to lift up the living standards of the Russian people, which Mr. Khrushchev described, and to give them opportunities for greater happiness. There was indeed a moment when it seemed that this might become the Soviet policy. Mr. Malenkov, as the Prime Minister who first succeeded Stalin, advocated more consumer goods and better quality goods for the Soviet people. But Mr. Malenkov was quickly removed from leadership, and his successors resumed the policy of forcing the Russian people to work primarily to build up the power machine of the state. The output of consumer goods—food, clothing, and housing—was firmly relegated to a secondary place.

Under these conditions, can we accept at face value the Soviet professions that its foreign economic activities are primarily designed to help others?

Actually in this campaign the Soviet Union is seeking to advance its interests.

It is important, therefore, to examine how the Soviet Union sees its interests.

IV

Throughout its 38 years of existence, the Soviet pattern has been unvarying. Whenever the opportunity has arisen the Soviet Union has swallowed up its neighbors, or made satellites of them, or subordinated them in other ways.

The future may well produce a different Russia. But today changes in creed and conduct are looked upon as ways to make it easier to achieve old goals of conquest. If there is less apparent intolerance and less reliance on violence, there is perhaps more reliance than ever on division, enticement, and duplicity.

On December 29, 1955, speaking to the Supreme Soviet, Mr. Khrushchev stated the fundamental precept: "If certain people think that our confidence in the victory of socialism, the teaching of Marxist-Leninism, is a violation of the Geneva spirit, they obviously have an incorrect notion of the Geneva spirit. They ought to remember once and for all that we never renounced and we will never renounce our ideas, our struggle for the victory of communism."

In his lengthy speech to the Twentieth Party Congress, Mr. Khrushchev promised "fundamental social transformations"—this means a Communist Party dictatorship—to any nation unwary enough to allow its political life to be undermined by the Communist apparatus.

We must assume that the intent behind the Soviet economic campaign is to subvert and communize the nations that are its targets.

The United States is engaged in programs of economic assistance to the less developed countries. Our programs have been in progress for a number of years and have totaled billions of dollars.

By these programs, we too hope to advance our legitimate national interests. We have never pretended otherwise.

But again the crucial question is: What are those interests and how are they intended to be served?

Our interests will be fully served if other nations maintain their independence and strengthen their free institutions. We have no further aims than these. We want a world environment of freedom. We have shown this time after time by electing to give freedom where we could have had conquest. Our historic policy, reflecting the will and the views of our own free people, is wholly compatible with the interests of the less-developed countries as their leaders themselves have defined them.

VI

The political leaders in the economically less-developed countries are entirely capable of judging the purposes and principles of other nations. They are, for the most part, men of political experience. In many cases they have had an active part in winning for their countries political independence. They have no desire to preside over the loss of that independence.

The wisdom and patriotism of the political leaders of the newly independent nations are among freedom's greatest assets. These men are not blind to Soviet purposes and past actions.

But we must also recognize that the Soviet Communist experiment has won for itself a considerable popular prestige in the less-developed countries. In these countries "industrialization" is a word of magic. It is a slogan that the people have come to believe will solve all domestic economic and political problems. The peoples of these countries do not like to be dependent upon the industrialized West for manufactured goods. For the most part, they now have political independence, but they do not yet have what they consider to be adequate economic independence.

The neighboring Asian peoples have seen the Soviet Union within a generation develop itself into a major industrial power. These observers are but dimly aware of the fact that the Soviet rate of progress was possible only because natural conditions favored, and that even so its cost in human servitude has been tragically high. They are like those of us who admire the pyramids, the palaces, the temples, and the coliseums which despotic rulers once produced out of slave labor. We are only dimly conscious of the cost in terms of human misery.

So it is with the peoples of less-developed lands who are informed in extravagant terms of the industrial monuments which have been built by the Soviet masters of 220 million subject peoples.

And when Soviet propaganda says to less-developed peoples, "See what we have done for ourselves; with our help, you can do the same," there is a strong temptation to accept that so-called help.

The political leaders of these countries, however wise they may be and however patriotic they may be, will find it difficult to resist the public pressures which Soviet propaganda arouses, unless there is some alternative.

The industrial nations of the West, with matured and vigorous economies and much well-being, can and must provide such an alternative.

VII

Western efforts to advance the economic well-being of the less developed countries are nothing new. We need not be panicked by the new Soviet economic policy.

With or without the so-called competition of the Soviet Union, we propose to go forward with sound policies to aid the economic progress of less developed countries.

Normally, under our system, private capital could and should do the job. And, indeed, much private capital today flows into many less developed countries. But it flows only where the political and economic risks are deemed tolerable. In much of the world, these risks are such that private capital is not ready to take them. If capital is to be found, a substantial part must be provided on a public basis which spreads the risk so that it is not appreciable in terms of any single individual.

This is one of the purposes of our mutual security program which now, in one form or another, is in its eighth year. The economic part of that program amounts this year (ending June 30) to about \$1,700,000,000. Much of this is used to help our allies, particularly in the Far East and in Asia, to support adequate military establishments of their own. Of the total, approximately \$600 million will assist, by loan or grant in capital developments in other lands.

This year we are asking Congress to appropriate for next year's economic program \$100 million more than is available for this year. The capacity to spend wisely depends on many factors, and we should not appropriate, in a panic, merely because of Soviet economic activities. There is, however, need for somewhat greater flexibility, and for greater continuity, as regards support for long-range projects.

Some of the development projects which are most significant will take several years to complete. It is difficult for the countries concerned to arrange for financing these projects unless United States support can be relied upon not just for 1 year at a time, but for several years. Also, with United States support, it is easier for them to procure funds from other sources, such as the World Bank.

We believe, therefore, that the United States Government should have authority to commit some such amount as \$100 million a year for several years for long-range projects which will develop to an important degree the economic strength of less developed countries. Without that limited, long-range authority we take a risk which is quite unjustified having regard to the relatively small cost of avoiding it.

VIII

If our Nation and the other free nations play their proper part, we can face the future not with complacency—that would be disastrous—but with confidence.

I do not wish to minimize the threat of the Soviet "new look," of which the economic campaign is a part. Economic assistance knows no territorial limits. And we must count on the Soviets and their local Communist parties to press their policies with vigor.

But we should reflect that Communist successes in the world so far have come when Red armies were at hand. No people has willingly accepted the Soviet type of Communist dictatorship.

Communist open aggression has now been checked by the cohesion, resolution, vigilance, and strength of the free nations. Let us never forget that this is what deflected the Soviet rulers from primary reliance upon violence to which they were dedicated by creed and which they are skilled to practice.

They came up against the granite of a declared and strong resolve. If that granite should turn to putty, then violence and threat of war could again become the order of the day.

Meanwhile, we have new problems. These will require new efforts; without relaxation of the old cohesion, resolution, vigilance, and strength. But the new efforts will be of a

kind that is in accord with our tradition. This Nation was conceived with a sense of mission and dedicated to the extension of freedom throughout the world. President Lincoln, speaking at this very Independence Hall, said of our Declaration of Independence, that there was "something in that Declaration giving liberty, not alone to the people of this country, but hope for the world for all future time. It was that which gave promise that in due time the weights should be lifted from the shoulders of all men and that all men should have an equal chance."

That has been the spirit which has animated our people since they came together as a nation. We have, it is true, acquired much for ourselves. But also we have had in large measure the greatest of all satisfactions—that is the satisfaction which comes from creating and from sharing.

We have created at home and we have also created abroad. We have shared here at home and we have shared abroad. Today the greatest opportunity for creation and for sharing lies in those areas which, possessed of great economic and human potentials, have not yet realized the opportunities which are theirs.

We have unprecedented resources with which to create and with which to share. Our 160 million people, working in freedom and with ample leisure, produce over three times as much as do the 220 million of the Soviet Union working in servitude. Our industrial techniques are beyond compare. Our desire to create and to share with others is not a political plot; it is an expression of the spirit which has long animated our Nation. It is not a product of Government; it is a product of the faith of our people.

Let me conclude with words which Benjamin Franklin wrote from Paris on May 1, 1777:

"It is a common observation here that our cause is the cause of all mankind, and that we are fighting for their liberty in defending our own. It is a glorious task assigned us by Providence; which has, I trust, given us spirit and virtue equal to it, and will at last crown it with success."

Mr. SMITH of New Jersey. Mr. President, in the New York Times of Monday, February 27, there is an editorial entitled "Mr. Dulles on Foreign Aid." I feel the Times has done a real service to the American people in this interpretation of Mr. Dulles' position; and inasmuch as I find myself in accord with the editorial, I ask unanimous consent that it be printed in the body of the Record, at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. SMITH of New Jersey. Mr. President, it is my strong feeling that we must not become confused over the discussion of a so-called continuing program of foreign aid. From my experience on trips to various parts of the world and my discussions with leaders in numerous countries, I am convinced that if we are to do anything effective, we should indicate that our policy is one of continuing aid on a partnership basis to help the underdeveloped countries to learn the practical problems involved in democratic processes and to effect the economic steps necessary to insure their freedom, independence, and self-determination.

As the Times editorial concludes, let us not tie the future of freedom to the fiscal year.

EXHIBIT A

MR. DULLES ON FOREIGN AID

Secretary Dulles was on solid ground when he discussed a continuing program of foreign aid in his speech in Philadelphia yesterday. What he had in mind wasn't new, for President Eisenhower had suggested it in his state of the Union message of January 5 and had returned to it in his press conference of January 25. He said on the latter occasion, in an unrehearsed response to questions, that part of the money we spend on national security has got to go in helping friends, and he intimated that asking how long this should go on is like asking how long is a piece of string?

Mr. Eisenhower is now getting up a new message on spending, to be delivered on March 5. It is believed that this message will contain a recommendation for a supplementary foreign aid fund of \$100 million a year, which we would be at least morally obligated to keep up for perhaps 10 years. This sum isn't money at all, the way things are today.

It is, however, a principle. It was this principle that Secretary Dulles seemed to be thinking about yesterday—or perhaps the night before, as he sat up revising his speech. Mr. Dulles had had a reasonably hard time with the Foreign Relations Committee on Friday, as the transcript published in part in this newspaper yesterday indicated. He was trying to explain, against a considerable partisan outcry, why he believed we had made diplomatic gains against Russia.

This was not too easy a task. Indeed, victories that have to be established by argument are never thoroughly satisfactory. But Mr. Dulles did come to rest on the principle of an aid program that would supplement the present system of aid—which works by fits and starts, by guesses and uncertainties, by close votes and behind-the-scenes bargains. Everybody who has had even a little to do with foreign aid, whether military or economic, whether in the guise of loans, grants or technical assistance, whether big or little, knows how hard it is to compress a worthwhile undertaking within 12 months of a fiscal year.

In private business this truth would be taken for granted. It should be accepted when we deal with public business. To give a dramatic example, we are in process of making agreements with other nations to lease fissionable material: both sides must obligate themselves for a period of time in order to make this experiment valuable. The same may be said of the effort to set up an international agency, in cooperation with the United Nations, for the peaceful uses of atomic energy. Representatives of 11 other countries, Russia among them, will meet today in Washington to negotiate a statute for such an agency.

We and our friends need to arm against the danger of being attacked and crushed by military force. Nobody denies the need for planning such precautions far in advance. Airplane carriers, bombers, and infantry divisions are not created over night or between two New Year's Days. Economic defense and economic progress demand even more time.

Our friends are not beggars at the gate, waiting patiently until the lord of the manor goes forth followed by his pursebearer. They are our friends, indeed—our fellow workers, our neighbors. They are now in many cases being tempted—as Secretary Dulles pointed out—by deceptive offers from Moscow. These offers are not tied to the calendar: they may be worthless, or worse than worthless, but they run with the years.

The kind of foreign-aid program Secretary Dulles was talking about errs, if it is weak, on the side of modesty. It implies too little

imagination, not too much. Let us hope that Congress, when the time comes, will not pinch these pennies or tie the future of freedom to the fiscal year.

ONE HUNDREDTH ANNIVERSARY OF THE BIRTH OF WOODROW WILSON

Mr. SMITH of New Jersey. Mr. President, this year all Americans will celebrate the 100th anniversary of the birth of Woodrow Wilson.

The 2d session of the 83d Congress passed a joint resolution creating the Woodrow Wilson Centennial Celebration Commission, of which I have the honor of being Vice Chairman.

The Commission has recently prepared a handbook describing the centennial; and I ask unanimous consent that a brief explanation from the pamphlet entitled "The Woodrow Wilson Centennial: What It Is and Why We Celebrate It," be printed at this point in the body of the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

The year 1956 marks the 100th anniversary of the birth of Woodrow Wilson, the 28th President of the United States.

Woodrow Wilson was a man of remarkably varied interests and achievements.

As scholar and educator he helped to vitalize American education and to make it a democratic instrument in the service of the Nation.

As political reformer, Governor of New Jersey, and President, he fought to purify the processes of popular government and to shape its policies to the human and social needs of the 20th century.

As Chief Executive he led the Nation through the First World War, tortured because "It is a fearful thing to lead this great peaceful people into war" but convinced that "the right is more precious than peace."

As world statesman he dedicated himself to the search for lasting peace based on justice and freedom and made effective through the League of Nations operating as "the organized moral force of men throughout the world."

To all of these tasks Woodrow Wilson brought an abiding religious faith and sense of spiritual values, an intense conviction of the citizen's duty to serve both his country and humanity, and a passionate love of America that made his patriotism a matter of principle as well as of sentiment.

The past is a vital source of a people's strength that lies in the seamless web of its life. To draw upon that source we pause on occasion to examine the careers of our most illustrious leaders. We reflect upon their words and deeds and are made stronger. We recapture some measure of their greatness and appropriate it to the service of our own generation. Such an occasion is the centennial year of Woodrow Wilson's birth.

And so the Congress by joint resolution, has asked that the people of the United States join in celebrating that event in 1956.

THIRTY-EIGHTH ANNIVERSARY OF INDEPENDENCE OF ESTONIA

Mr. SMITH of New Jersey. Mr. President, last Friday, February 24, marked the 38th anniversary of the proclamation of independence of the people of Estonia.

Many Estonian refugees and Americans of Estonian descent joined on Friday in New York City to commemorate this date and to pay honor to that hard-won independence. Since 1940, the peo-

ple of Estonia have had no freedom. Every day they hope and pray that their treasured independence will soon be regained. I earnestly share that hope and join in that prayer.

Mr. Khrushchev has now apparently rewritten Communist doctrine with respect to the necessity for violent revolution. With continued pressure from all free people, we must hope that the Kremlin masters will return to Estonia that which was so cruelly taken from her 16 years ago.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD a resolution unanimously adopted in New York on Friday, February 24, 1956, by those who were assembled in solemn commemoration of the 38th anniversary of the proclamation of independence of the Republic of Estonia.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

On the occasion of the proclamation of the independence of the Republic of Estonia on February 24, 1918, we the Americans of Estonian descent and the Estonians residing in this country have gathered here in New York in order to pay tribute to this supreme achievement of the Estonian people, for which it had tenaciously struggled and fought for centuries.

The 38th day of Estonian independence is being commemorated at a time when the country itself, and its people are suffocating in the stranglehold of unprecedented Communist terrorism following the forcible occupation of the country by the Soviet Union in 1940, in violation of all existing international treaties.

At this anniversary of the Estonian independence, we are gravely concerned by the international developments of the past year and the strongly reemerged Soviet quest for world domination. The speech by Nikita Khrushchev at the 20th Congress of the Communist Party of the Soviet Union, and the resolutions the Congress itself cannot be bypassed as mere bragging, they do mean strongest determination to work doggedly toward the achievement of this ultimate goal.

The Estonians know, out of their own experience what the Soviet world domination would be like, if achieved. It certainly would not mean just some slight hegemony in the world, or just domination, but total extinction of the western civilization and physical destruction of hundreds of millions of people, the living pillars of the free world.

We feel, therefore, duty bound to sound the warning to the peoples yet free, that the expansion of the ever-aggressive communism cannot be stemmed by just erecting defensive dams, or by patchwork. If once the balance of power in the world has become favorable to the Soviets, the free world and this country of freedom and human rights will be doomed.

It is, likewise, our deepest conviction, grown out of our experiences with the Soviet communism, that the self-defense of the free world against the Soviets cannot remain just passive, intended on their contention, but can be effective only, if it is actively and determinedly directed toward rolling back the Soviet power.

It's in the free world's awareness of the necessity to meet the Soviet quest for world domination actively, that we see hope for the liberation of the Estonians and the other east European captive peoples from the deadly grasp of Communist terrorism.

Our greatest trust lies in the generosity and enlightened self-interest of this free and powerful country, the United States of America.

FEDERAL FLOOD RELIEF AND FLOOD PREVENTION ACTIVITIES IN CONNECTICUT

Mr. BUSH. Mr. President, I ask unanimous consent to be permitted to proceed for 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Connecticut is recognized for 5 minutes.

Mr. BUSH. Mr. President. I rise to express my deep regret that Adlai Stevenson, in a Jefferson-Jackson Day speech at Hartford, Conn., last Saturday night, found it politically necessary to misstate the facts regarding flood relief and flood prevention actions taken by the administration.

Statements made by Mr. Stevenson in his Hartford speech are subject to two interpretations:

First. Either he is woefully ignorant about what the administration has done and proposes to do to meet this problem; or

Second. He deliberately stooped to flood politics, a tactic of which responsible public officials of both parties in my State have not been guilty, I am happy to say.

I am confident that many Democrats in Mr. Stevenson's Hartford audience shrank in distaste on hearing such misstatements and distortions from the Democratic candidate for the presidential nomination in a State where so much has been accomplished by nonpartisan cooperation in a tragic period.

State and local officials of the Democratic Party in my State have frequently paid high tribute to the effectiveness of Federal agencies, under the President's leadership, in helping to rehabilitate the flood-stricken communities in Connecticut. We have worked together, in a spirit of full cooperation and complete nonpartisanship, in seeking to meet the many problems arising from the terrible flood disasters of August and October 1955. I am confident, despite Mr. Stevenson's attempts to inject a sordid political note into this subject, that we in Connecticut will continue to work together in that spirit.

In order to set the record straight, I shall cite some of the facts about what the administration has done to relieve the distress caused by floods in my State and to rehabilitate the communities which were so sorely afflicted.

The Federal Civil Defense Administration has stated that as of February 13, 1956, Federal agencies had spent, or obligated for expenditure, a total of \$66,452,613 in Federal funds for flood relief in Connecticut.

While I do not have at this time a complete breakdown of the total, I shall cite, in a few moments, some of the more important current figures in connection with Federal flood aid, and shall submit for the record other figures as soon as they can be assembled.

To measure the extent of the Federal contribution to relief and rehabilitation in Connecticut, it may be compared with the appropriations of State funds for this purpose. The Connecticut General Assembly, in special session, appropriated

approximately \$35 million for flood rehabilitation purposes, little more than half the amount of the Federal contribution.

While many Federal agencies have participated in rehabilitation work in Connecticut, the work of the Corps of Engineers has been especially noteworthy. The work the Army engineers can do is limited by the restrictions of Public Law 875. Nevertheless, as of February 13, 1956, the Corps of Engineers had spent, or obligated for expenditure, a total of \$20,546,255 for the following purposes: First, amount spent on contractual work, \$5,420,255; second, amount still to be spent, \$10,180,000; third, amount of reimbursement to State and local subdivisions, \$4 million; and fourth, amount estimated for temporary repair costs applied to permanent restoration, \$946,000; total, \$20,546,255.

Mr. President, one of the most important jobs that had to be done in the post-flood period was to put people back to work. Hundreds of small businesses, stores and factories, were affected by the floods. Unemployment created by the floods reached a peak of 30,000 men and women.

To get these people back to work, assistance had to be given to the proprietors of the flood-affected businesses. The Red Cross did valuable work in this field, but the only source of available government assistance, whether on the local, State, or Federal level, was the lending authority of the Small Business Administration.

The Small Business Administration rose to the occasion. As of this date, the Small Business Administration has approved 1,082 flood loans in Connecticut, totaling \$19,487,678.

In the days ahead, the work of rehabilitating the flood-affected Connecticut communities must go forward. An important source of Federal assistance lies in the field of slum clearance and urban renewal. As of this date, planning grants to flood-affected communities in Connecticut have been made by the Urban Renewal Administration totaling more than \$500,000.

Mr. President, Adlai Stevenson was less than fully candid in discussing the flood-prevention program for New England. He failed to mention that one of the reasons for lack of progress in the past was, it is sad to relate, disinterest and even opposition in the affected States. The Corps of Engineers cannot go forward with a flood-control project unless the State in which it is located gives its consent. One of the projects in the New England program is the proposed dam at Thomaston, Conn. Although this work was authorized in 1944, the State of Connecticut did not give its necessary concurrence until September 1955, a month after the first of the two flood disasters. Similarly, needed flood-control projects in Massachusetts and elsewhere were stalled by lack of State concurrence. I am glad that these errors of judgment on the part of the States in the past are being corrected, but Governor Stevenson is not sticking to the facts when he implies it was inaction by the administration which has held back the program.

And, in discussing flood prevention, Governor Stevenson was guilty of an omission when he failed to note that the President had taken action to get an accelerated flood program for Northeastern States underway.

The first appropriations bill upon which the Senate acted in this session was the urgent deficiency bill for 1956. Upon the President's recommendation, it contained planning and construction funds for flood-control dams and reservoirs and other large projects which involve a total Federal cost of \$135,500,000.

Nor was Mr. Stevenson speaking with complete candor when he failed to note that action taken by the Appropriations Committee of the House of Representatives, controlled by members of his party, would have sabotaged the President's proposals for an early start on this program. It took a bipartisan revolt on the House floor to correct the committee's shortsighted blunder.

I have found in the Senate a complete willingness on the part of a great majority of Senators on the other side of the aisle to approach flood problems in a spirit of cooperation and bipartisanship. The other day I introduced a bill S. 3272, which would permit the Corps of Engineers to break through the bottleneck of time in the construction of small but urgently needed flood protection projects in many communities throughout the Nation. I am proud to have a number of Democratic Senators, among them the distinguished President pro tempore, the Senator from Georgia [Mr. GEORGE], joining me in sponsorship of this measure.

The distinguished junior Senator from New York [Mr. LEHMAN] and I have been working together in an effort to draft a sound, workable program of flood indemnity and reinsurance. We expect to conclude our hearings on this subject this afternoon, and it is our hope that we will soon be able to report an acceptable bill to the full committee and to the Senate.

A spirit of cooperation and bipartisanship is the only way in which flood problems should be approached. I am confident that spirit will survive the ill-considered attempt on the part of Governor Stevenson to undermine it.

Stevenson will find resentment in both parties and among public officials and people in all walks of life, particularly in the flood-affected areas of Connecticut. It seems a shame that he has injected himself into a situation concerning which he is so badly informed.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. BUSH. I am happy to yield.

Mr. MARTIN of Pennsylvania. I should like to ask the distinguished Senator from Connecticut if it is not correct to say that everything possible has been done in a bipartisan way to correct the terrible situation in which the northeastern part of the United States finds itself by reason of the floods of last year.

Mr. BUSH. The Senator from Pennsylvania is absolutely correct. What Mr. Stevenson said was an intrusion on his part, and his intrusion is the first sour note we have had in connection with the

subject. The people of Connecticut will resent it very much.

Mr. GOLDWATER. Mr. President, apropos the remarks of the Senator from Connecticut, I believe Mr. Stevenson seems to be able to get up to the brink of the truth very often, but never seems to get quite over it.

Mr. BUSH. I thank the Senator from Arizona for his statement.

INVESTIGATION OF CAMPAIGN SPENDING AND LOBBYING

Mr. NEUBERGER. Mr. President, a most comprehensive and thorough article about the origins and background of the forthcoming special Senate committee investigation of campaign spending and lobbying was published in the Washington Post and Times Herald of February 26, 1956, under the byline of that experienced and able Capital reporter, Mr. Robert C. Albright.

It seems to me that Mr. Albright's impartial and effective article should appear in the body of the RECORD as part of the events leading up to this stage of developments in the inquiry. I ask unanimous consent that it do so.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILL SENATE STICK WITH ANGELS ON LOBBY PROBE?

(By Robert C. Albright)

Every so often in the history of the American political system an aroused public opinion asserts itself, forcing surprising changes in the way Congress does business and screens its own membership.

Sometimes the reforms of the moment take permanent root in the legislative process. Sometimes they flower into lasting changes in the Nation's election laws. More often they have died on the vine, as public interest itself has waned.

When that has happened, Congress has generally declined in esteem, along with the politicians who mostly comprise it, until—as inevitably occurs in a democratic system—somebody comes up with some new answers.

A HISTORIC MOMENT

Perhaps Congress was at the turn of just such a cycle at that moment in the gas bill debate when Senator FRANCIS CASE, Republican, South Dakota, arose in his place and made a speech which almost stopped the show. A lawyer interested in passage of the natural-gas bill had attempted to contribute 25 \$100 bills to CASE's campaign. CASE told his colleagues he could not keep the money. What was more, he said, he could not now vote for the bill.

Four days later (on February 6) the Senate passed the gas bill anyway by a roll call vote of 53 to 38.

The log of the next fortnight is worthy of note:

February 7: The Senate voted 90 to 0 to create a four-member bipartisan committee to investigate the CASE incident. (The FBI had already been investigating it for 3 days.)

February 8: A Senate Elections Subcommittee lost a tug of war with the newly created Senate unit for jurisdiction, but vowed that it would make a broader inquiry later.

February 11: The Senate's so-called select committee turned up testimony that the \$2,500 campaign contribution to CASE came from the personal funds of an oil and gas company president.

February 14: A Federal grand jury began questioning key witnesses on the CASE incident.

February 17: President Eisenhower vetoed the gas bill. In so doing he denounced the activities used in lobbying for the bill as highly questionable and arrogant.

February 22: The Senate voted 79 to 1 for an all-embracing investigation of improper influences on Government, to be conducted by a new 8-member bipartisan committee. The authorization was so broad that it superseded other previously projected investigations.

RIPE FOR REFORM

The United States Senate thus came a long way in 2 weeks. From openly expressed skepticism on CASE's charges, it had swung over, as one cynic put it, "to the side of the angels." Would its new select committee travel as far in the weeks and months ahead, not only in exposure of wrongdoing, but in formulation of constructive remedies?

That is the big question being raised this weekend on Capitol Hill.

Long before the Case incident, sentiment had been crystallizing for some rather far-reaching reforms in the Federal Corrupt Practices Act and the Capitol's equally out-moded lobbying statutes.

As far back as June 22, 1955, the Senate Rules Committee had favorably reported the so-called Hennings bill. This was designed to modernize existing ceilings on campaign contributions and to turn the spotlight of publicity on future contributions.

The Hennings bill is now on the Senate Calendar and can be called up at any time. Some of its key provisions are bitterly contentious, but even a compromise bill, which is likely to come out of the crucible, could result in substantial reforms.

THE 20-CENT FORMULA

Here are some of its central provisions:

Spending by national political committees, now limited to \$3 million, would be fixed by a new formula which would lift it to about \$12 million. The ceiling would be computed by multiplying 20 cents by the total vote for all presidential candidates in any of the last 3 presidential elections.

Candidates for the Senate could spend up to \$50,000, or a larger amount determined by a similar formula. This would be figured by multiplying 10 cents by the total vote of all candidates for the seat in the previous election. Senate candidates are now limited to \$25,000.

Candidates for the House could spend up to \$12,500 or a larger sum determined by an identical formula. House candidates are now limited to \$5,000.

The proposed law provides that the ceilings include not only the amount spent by the candidate himself, but all the money spent by all committees, both interstate and intrastate, set up to support him.

Practically all of these sections have come in for some criticism, chiefly from legislators who think the ceilings are too low. But the principal opposition of a type which could hold up the bill, comes from Republicans and Southern Democrats opposing an even more controversial proviso. This is a section extending the law to cover primaries and party nominating caucuses.

The present law does not cover primaries or conventions. Southern Democrats and some northern Republicans call the primary proposal an unconstitutional invasion of States rights. Proponents deny this, citing a 1941 Supreme Court decision (*United States v. Classic*) which held that Congress does have the authority to regulate primaries.

Regardless of the controversies which rage around the fringes of the Hennings measure, the real heart of the bill, providing for toughening up present lax campaign contribution reporting requirements, is comparatively free from attack.

These provisions require every political committee and every candidate to file statements of contributions and expenditures not only with the Clerk of the House or the Sec-

retary of the Senate, but with the clerk of the United States district court in the appropriate area.

For the first time the Secretary of the Senate and the Clerk of the House would be directed to provide for the preparation and periodic publication of campaign statements filed with them.

Under present law, these officials make campaign reports available for inspection on request. But no attempt is made to utilize or summarize the information filed with them. As a result, very little information regarding campaign finances is currently made public.

The heart sections provide further, for the first time, for legislative supervision over the administration of the act. This is done by requiring the Senate Rules Committee and the House Administration Committee to exercise continuing watchfulness in their respective fields.

If these reporting provisions are kept intact, some supporters of the bill may be willing to make concessions on the rest.

Party realists suggest, for example, that the spending ceiling might be eliminated altogether providing Congress approves a reporting system showing exactly where the money comes from, who spends it, and how much. The attendant publicity, they argue, would do more than anything else to "purify" the process. As a concession to realism, the extension of the law to party primaries may also come out. The barebones result would be a far cry from the original Hennings bill, but it would be considerably more effective than the existing statute.

The so-called Hennings bill isn't the only attempt to find an answer to a question which has long plagued American politics: How to find an honest yet practicable basis for underwriting the high cost of American political campaigns.

Nine months ago Philip L. Graham, publisher of the Washington Post and Times Herald, summed up the dilemma in a speech to the annual dinner of the University of Chicago's School of Business.

At a time when we need the highest sort of people in politics, because of the awesome decisions they must make, Graham said, little is being done to solve the financial problem which produces something less than the best.

Graham said the problem is: "How can we raise enough honest, untainted money to permit our politicians to run for office without becoming obligated to corrupt or selfish forces? And in doing this, how can we help to create a higher regard for the importance of politics in American life?"

He suggested that the answer might lie in the modest campaign contributions by millions of individual citizens to the party of their choice, so that politicians needs never rely on (1) the underworld, (2) special-interest groups, or (3) the so-called political hopefuls.

Graham suggested a public service advertising campaign to that end, under the sponsoring of the nonprofit, nonpartisan Advertising Council.

The Advertising Council later sponsored such a plan for 1956, but it was suspended for want of the required number of Republican project sponsors. Democratic leaders have said that they produced their four nominees to the joint committee which would have sponsored the bipartisan project.

Several interesting variations of the same idea of broadly based political contributions, in modest individual amounts, have meanwhile been gaining in favor.

As one means of encouraging numerous small contributions, Representative STEWART L. UDALL, Democrat, of Arizona, and Senator THOMAS HENNING, Jr., Democrat, of Missouri, last summer introduced House and Senate bills to provide Federal income tax exemptions for up to \$100 contributed to political campaigns by individuals.

As far back as last April the State of Minnesota rewrote its income tax laws to permit (1) deduction of modest amounts contributed to a political candidate, party or cause and (2) deduction of unreimbursed campaign expenditures personally paid by the candidate.

Byron G. Allen, Minnesota's State commissioner of agriculture, sponsored the Minnesota reform. Allen recently has suggested another way in which Congress might encourage moderate political contributions by the many instead of big contributions by the few.

A national foundation would be set up under a Federal charter, which as the American Red Cross, is now chartered. The new foundation, administered by a representative board of directors, would see that the money collected in this way was fairly distributed. All Congress would have to do would be to provide the charter.

It isn't at all outside the realm of possibility that the Senate's new eight-member select committee, under the broad powers granted it to investigate the campaign-lobby-influence problem and recommend legislative solutions, may come up with one or more of these formulae.

Still another variation was presented last week by Senator RICHARD L. NEUBERGER, Democrat, of Oregon. He introduced legislation authorizing the Federal Government to finance Federal election campaigns of both major parties, on a matching basis, to avoid what he said was the evil of large private contributions.

Other suggested solutions range all the way from a proposal to ban political contributions made across State lines in excess of a \$100 total, a prohibition some critics say might easily be avoided by clever lawyers, to suggestions that the donor of a contribution as well as the recipient be required to report it.

Two of the major radio and television networks have endorsed a proposal which its sponsors say could result in the two major parties getting an estimated \$3 million more in free network time, reducing their fundraising problem by that amount.

The proposal is to amend section 315 of the Communications Act to permit the unrestricted appearance of political candidates on radio and TV news and discussion programs, without imposing on broadcasters the obligation to afford equal opportunity to all rival candidates.

The purpose of this amendment, which was originally put forward by Frank Stanton, CBS, Inc., president, is to give networks and stations an opportunity to cover political developments of both major parties without having to give equal time to "splinter" interests or so-called frivolous candidates.

Urging the change, the February 20 issue of Broadcasting Telecasting magazine said that it was impossible for broadcasters to provide adequate news and discussion coverage of the two major candidates for President in 1952 because "each time General Eisenhower or Mr. Stevenson appeared, broadcasters were required by law to make similar arrangements available to 16 other candidates who were running—or crawling, it might better be said—in the same race."

Perhaps the biggest assignment of all given the new eight-man select committee set up by the Senate was to investigate the steadily mounting lobbying pressure on Congress and come up with remedial legislation.

Senator JOHN F. KENNEDY, Democrat, of Massachusetts, chairman of a Senate Government Operations Subcommittee, was all set to launch his own independent investigation of lobbying when the problem was pooled with the whole subject of campaign expenditures and election law revision and turned over to the new Senate committee.

As one of the eight members of the new group, KENNEDY will have the opportunity to pursue a goal he has long set his heart

on, strengthening of the ineffectual regulation of lobbying incorporated in the 1946 Congressional Reorganization Act.

Ever since a 1954 Supreme Court decision, in the case of *United States v. Harriss*, the number of lobbyists registering at the Capitol has been falling off, along with their reported expenditures, despite an indicated increase in lobby pressure. The decision upheld the constitutionality of the law's registration provisions but narrowed the definition of lobbying. As a result, several organizations changed their methods of reporting expenditures.

KENNEDY isn't out to crack down on lobbying as such, for a precious constitutional safeguard is involved—the right of petition. For years jurists have been struggling to define the term "lobbyist." Some wisecracks have called him "the fellow who's against a bill that you favor," and vice versa. But the problem of professional lobbying is a very special one, and has been marked by Congress for special treatment.

KENNEDY states the objective this way:

"Our goal should be to preserve intact the right of the public to petition Congress while at the same time requiring professional lobbyists to supply sufficient information so that their identity and that of those they represent will be known to Congress and the people."

"When the activities of those who would influence legislation can withstand the bright glare of publicity, the lobbying problem will have been solved."

But Congress and State legislatures have grappled with the problem of lobby pressures before, with a surprisingly lean record of doing anything about them. Is there any reason to believe that the bipartisan investigation the Senate launched last week will be any more successful?

In his book, *The Legislative Process* in Congress, Dr. George B. Galloway, senior specialist of the Legislative Reference Service, Library of Congress, notes that half a dozen major investigations of lobbying have been conducted in the past 50 years.

The first was the famous 1905 investigation of the life insurance lobby in New York State, conducted by a joint committee of the New York Legislature. It was conducted by Charles Evans Hughes. Its resulting 10-volume report laid the basis for the New York State law regulating lobbying.

During the first Wilson administration, the Garrett committee of the House of Representatives investigated the lobbying activities of the National Association of Manufacturers. This investigation produced 60 volumes of testimony, but no legislation.

In 1927 the Senate's Caraway committee investigated the American Legion and other lobbies. This investigation led to a bill to regulate lobbyists which passed the Senate but died in a House committee pigeonhole.

In July 1935, the Senate created a special committee headed by former Senator Hugo Black (now a Supreme Court Justice) to inquire into power lobbying activities. This investigation was touched off by disclosures that various utility companies had spent vast sums of money to defeat the so-called public utility death-sentence clause of the Wheeler-Rayburn bill.

This investigation was more fruitful than most, as it made inevitable the passage of the Holding Company Act of 1935. But legislation to require lobbyists to register and reveal the source of their income finally died in conference, even though it initially passed both Houses of Congress. (More than a decade later, a joint House-Senate committee embodied some of these recommendations in the Monroney-La Follette legislative streamlining bill, however.)

The most recent investigation of lobbying was conducted by a select House committee headed by the late Representative Frank

Buchanan, Democrat, of Pennsylvania, during the 81st Congress (1949-50).

Dr. Galloway records that the Buchanan committee "made an intensive investigation of lobbying by various organized interest groups, foundations and Government agencies, including the extent of their activities, their fund-raising and lobbying techniques, grassroots pressure, and the causes and costs of modern lobbying."

Incidentally, the Buchanan committee recommended several improvements in the 1946 statute. Strangely, nothing has been heard of them since.

EMPLOYMENT OF INDIANS IN INDUSTRY

Mr. GOLDWATER. Mr. President, the Indian Bureau of the Department of the Interior has been engaged for several years in a relocation program. It involves taking Indians from reservations and relocating them in centers of population, where they may find proper employment. The program has meant the opening of factories at Gallup, N. Mex., and Winslow, Ariz. The success of the program has been due largely to a man from Arizona, Mr. Carl Beck.

We in Arizona are very proud of Mr. Beck and of what he has accomplished. He is a man of great knowledge of the problem of the Indians and of wide association with them. His efforts have resulted in the betterment of the life of the Indians.

I ask unanimous consent that an editorial published in the *Lewistown Daily News* be printed in the *RECORD* at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the *RECORD*, as follows:

OTHER EDITORS SAY INDIANS WILL WORK— THEY PROVE AT ROLLA

Who says Indians won't work?

It is about 3 years now since Bulova started its jewel-bearing plant at Rolla, N. Dak., which employs about 80 Indians from the Turtle Mountain Reservation.

As for absenteeism, the Rolla plant has the lowest rate of any manufacturing plant in the watch industry, which is certainly overwhelming evidence that Indians will work and work regularly, when they get good jobs.

This greatly strengthens the hand of Carl Beck, special assistant to Indian Affairs Commissioner Emmons, who is working hard and effectively on a program to bring industries to reservations where they can create jobs for Indians, and better their living standards.

Incidentally, despite the comparative short period of time in which Beck has been on the program, the Indian Bureau has already been successful in the securing of manufacturers to open plants at Gallup, N. Mex., and Winslow, Ariz.

The program made quite an impression on people in Winner, S. Dak., when Beck was there recently with the hope of securing some industry which would employ Indians from the nearby Rosebud Reservation. "It is the first sensible approach the Government has made to whip the problem," the Winner Advocate reported people there as saying.

Beck has also spent much time in Montana talking with Indians, and with people in communities adjacent to reservations.

The Indian Bureau official is no "pie in the sky guy." He knows something of the hard-headed factors involved in making a business pay out, knows that such industries must succeed if they are to perform permanent service to the Indians as well as to themselves.

AGRICULTURAL LEGISLATION

Mr. GOLDWATER. Mr. President, recently in Phoenix, Ariz., the Cotton Growers' Association of Arizona held a meeting at which the members expressed great concern over the pending agricultural bill.

I should like to read one paragraph from a letter which I received from the association and then ask that the whole letter be printed in the *RECORD*.

It appears to me that S. 3183 and other bills introduced in the present session of Congress are based on political expediency and are no more than attempts to buy the votes of various farm groups. I have not seen a single statement credited to any Member of Congress in which he expressed or indicated that he was interested in what was best for either the farmer and/or the United States.

Mr. President, I ask unanimous consent that the entire letter be printed in the *RECORD* at this point.

There being no objection, the letter was ordered to be printed in the *RECORD*, as follows:

ARIZONA COTTON GROWERS ASSOCIATION,
Phoenix, Ariz., February 23, 1956.
Senator BARRY GOLDWATER,
United States Senate,
Washington, D. C.

DEAR SENATOR GOLDWATER: It gives me great pleasure to report that our members, at their annual meeting on February 21, adopted a resolution which, in effect, repudiates the present program of high-support prices for cotton.

A copy of the resolution is enclosed.

You will note that it covers a lot of territory but does approach the surplus problem in a positive way and offers for consideration a suggested solution of the cotton problem.

This resolution was offered before those in attendance at the membership meeting and was fully discussed. However, most of those taking the floor were interested in getting a clear understanding of the various provisions of the resolution and in trying to see how it would work under various hypothetical situations.

Only 1 member opposed the proposal and, when put to a vote, it received the full and enthusiastic support of the whole group, with only 1 "no" vote being recorded.

I feel that adoption of this resolution marks quite a change in the thinking of many of our members within the past year or so and gives me freedom to express to you some of my personal thoughts in regard to farm legislation now before the Congress.

It appears to me that S. 3183 and other bills introduced into the present session of Congress are based on political expediency and are no more than attempts to buy the votes of various farm groups. I have not seen a single statement credited to any Member of Congress in which he expressed or indicated he was interested in what was best for either the farmer and/or the United States.

Secretary Benson has taken a lot of abuse and has been accused of doing almost everything, up to and including stealing money from the pockets of the farmers. But it is my opinion that Secretary Benson is the one man who is honest enough and who has guts enough to see what is best for the farmers and to try to get them to take their medicine, even though it is unpalatable.

A year ago it was my pleasure to hear Secretary Benson address the annual meeting of the National Cotton Council. That group presumably included many people who favored rigid, high price supports for cotton. Yet when the Secretary finished telling them the facts of life they gave him

the greatest ovation that meeting has ever given one of its guest speakers.

At the recent annual meeting of the National Cotton Council the voting delegation approved a resolution putting the strength of the Council behind a move to change the basis of the cotton support program from seven-eighths of an inch cotton to the average grade and staple of the crop. They did this with full realization that it meant a drop in price of around 2 cents a pound if no other changes were made in the support program.

Naturally, there were individuals who did not approve the above action but no one spoke against the proposal.

I would say that the general feeling among the cotton producers and others attending the Cotton Council meeting last month was one of acceptance of the fact the price of cotton must be reduced if we are to make cotton attractive to the mills as compared to synthetics, and also in order to discourage further expansion of foreign plantings which are taking our world markets.

Even H. L. Wingate, of Georgia, who has been a leader of the rigid 90-percent group supported the proposal to change the loan basis.

Yet, in the face of general acceptance by the producers of the need for a lower price, we find their representatives in Congress fighting to restore, or continue, the high support program. They are not acting in the best interests of their people, nor are they truly representing the views of their constituents.

We are aware that you are not a supporter of the rigid high support program but we hope that now that our association has adopted the resolution enclosed that you will actively use your very considerable influence among the Republican Members of the Senate in an effort to influence them to adopt a program that will make American cotton more attractive to the mills and to foreign buyers.

Our resolution, of course, goes beyond the mere repudiation of high support prices. It offers a positive program for getting cotton into a free market and for disposing of the present surplus. We hardly expect our suggestions to become law, at least now, but our members adopted the proposal wholeheartedly in the belief that if it should be accepted as a cotton program that it would accomplish the objective we all want—namely allow us to eventually grow more cotton and recapture both our domestic and foreign markets.

Farm groups have always tried to steer away from direct cash payments from the Treasury knowing that such payments quickly become unpopular and can be cut off much more easily by Congress than can the indirect method of price supports.

Yet we see the President recommending and the Congress seriously considering a soil-bank program which, in my view, is nothing but a nice-sounding way of paying farmers around a billion dollars this year—hopelessly most of it before elections.

No one seems to have any idea how the soil bank will work. Even Secretary Benson in his appearance before the Senate Agricultural Committee was might vague. It would appear it was forced on him by politicians who hoped to gain a vote here and there.

It seems to me that we can prophesize that any time you start paying anyone not to do something you are going to run into trouble, whether it's called a soil bank or anything else. Our resolution includes such an undesirable proposal, too. But better to pay a man to just let his land stand idle than to get into endless argument as to whether or not he planted the correct soil building crop or did, or did not, use it for pasture. I can see a lot of trouble ahead if the soil-bank idea is made into law.

At the moment it looks like the Republicans have better than an even chance of winning the presidency in any event. Should Mr. Eisenhower be the candidate it will not even be a contest. Why, then, let your associates get mixed up in an impracticable plan that will not be good, in the long run, for the farmers, the Treasury or anyone else?

This letter is too long and perhaps contains some statements not properly a part of an official association communication but they have been bubbling in me for sometime and as I mentioned, adoption by our members of the enclosed resolution gave me at least some license to express them.

Your very truly,

E. S. MCSWEENEY,
Executive Secretary.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that there be printed at this point in my remarks a resolution adopted by the Arizona Cotton Growers' Association at its annual meeting on February 21, 1956.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the members of the Arizona Cotton Growers Association at their annual meeting on February 21, 1956, assembled in open session, after thorough discussion of the cotton problems of this State and of the United States, view with great concern the diminishing portion of our production going into channels of consumption, and the increase of CCC stocks; realizing that for the third time in approximately 15 years the cotton stocks in the possession of the United States have become well nigh unmanageable, and that this difficulty in 1939 and again in 1950 was overcome and obscured by World War II and the Korean war and the aftermath of each, respectively, deplore the thought of ever looking for the future to provide such relief again, and realizing in full their responsibility as part of a great industry to assist in devising ways and means looking toward the solution of this otherwise seemingly unmanageable problem, and greatly concerned with their responsibility to the taxpayers of the United States as a whole, do hereby

Resolve, That it is their judgment that while the acreage-allotment program should be continued, the support program for upland cotton should be forthwith discontinued so that current production of all upland cotton may sell at competitive levels for use at home and abroad; with the understanding that, as a transitional measure, a compensatory payment be made to the producers by the Treasury of the United States equal to two-thirds of the difference between the market price and parity price on like qualities;

Provided further, That in order to contribute as far as possible to a reduction in the supply of cotton and to the maintenance and hoped-for improvement in the market price of cotton, there be authorized a payment to the farmer for each acre of cotton allotment not planted to cotton, a payment of 6 cents per pound of the 3-year average cotton production per acre on a given farm, or the average production of the county in which such farm is located, whichever is the higher;

Provided further, In order to encourage a different and more beneficial use of such nonplanted allotted acres, the producer shall be reimbursed by the United States for such costs as he may be occasioned, for following for 3 years on such acres practices accepted as soil building by the local Agricultural Extension Service or Agricultural Stabilization Committee;

Provided further, That in order to maintain an equitable balance between supply and demand, whenever production for the current year is estimated to be less than

the sum of domestic consumption plus exports during the preceding year, the Secretary of Agriculture is authorized and directed to sell in an orderly manner from United States and Commodity Credit Corporation stocks, for use at home and abroad, a quantity of cotton equal to 120 percent of such difference.

THE STAMPMASTER POSTAL VENDING MACHINE

Mr. GOLDWATER. Mr. President, undoubtedly many Members of the Senate have received letters from their constituents concerning a machine called the stampmaster which the Post Office Department has put into use. I have not had an opportunity to see the machine, but I understand that a purchaser of stamps from the machine receives with his stamps a brief printed statement telling the purchaser something about the stamps or extolling the postal service.

Because I have received numerous complaints about the machine, I wrote to the Postmaster General regarding it. As usual, when anyone writes to the Post Office Department asking for a simple statement of facts, I received numerous pieces of correspondence from the Department. I ask unanimous consent that the letters and statement be printed in the RECORD, at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1956.

HON. ARTHUR SUMMERFIELD,
Postmaster General, Post Office Department, Washington, D. C.

DEAR ART: Following my letter to you of February 7, with which I enclosed a letter from Mr. Burton P. Freireich, of Phoenix, Ariz., relative to the "Stampmaster" postal vending machine, I received several more communications from my constituents complaining vigorously about this proposed expenditure by the Post Office Department.

The initial reports concerning this device were considerably distressing to me, and I could not envision any practical purpose to be served by the appropriation of even the smallest amount of money in such a manner. It was my hope, however, that your reply would either be sufficiently clarifying to establish a logical justification for this expenditure, or that you would express some inclination to abandon the proposal. The letter which I received from your Special Assistant, Mr. L. Rohe Walter, enclosing a copy of the Post Office Department's press release, which I am attaching for your ready reference, concerning the "Stampmaster," failed to adhere to either of these alternatives, and leaves me further confused and disappointed.

Now, of course, this is a relatively small matter by comparison with the vast sums and projects currently being undertaken by the Federal Government at the taxpayer's expense, but I think that you will agree with me that it was just this kind of "little thing" which, when multiplied many times, created the kind of waste and extravagance that we Republicans complained so bitterly about for so many years. If I am wrong about this, I am perfectly willing to stand corrected and enlightened. However, the information which I have so far is wholly unsatisfactory.

With your reply, I wish you would answer these questions for me:

1. Why is it necessary for the Post Office Department to apply "improved modern merchandising practices" as would be employed by commercial businesses, when there is no competition for the sale of postage

stamps and when such sales are in the nature of a necessity of life?

2. Assuming that it is a convenience to have such a "Stampmaster" capable of making change for postal patrons, why is it necessary that the machine also talk, and what does it say of really necessary and worthwhile importance in the "dozen recorded messages that can be changed easily"?

In closing, and by way of emphasis, I would also like to take exception to the implication of that sentence in the press release which says that "the talking feature of the machine adds only about \$30 to the cost." This kind of statement is reminiscent of the old days under the Democrats, when the only kind of economy practices was not that which eliminated expenditures, but rather that which justified unnecessary expenditures by citing their "bargain features."

I am going to await your response to this letter with much interest, and I hope you will regard my statements herein as only an effort to obtain some constructive perspective on this proposal, for I am the last individual who would ever embark upon an arbitrary criticism of the practices and policies of the Post Office Department, especially when that Department is under the direction of such an able and fine friend as you.

Sincerely,

BARRY GOLDWATER.

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., February 13, 1956.

Hon. BARRY GOLDWATER,
United States Senate,
Washington, D. C.

DEAR SENATOR GOLDWATER: This acknowledges your recent letter and accompanying memorandum attaching a letter from Mr. Burton P. Freireich about the new Stampmaster machine.

We believe your constituent will better understand the advantages of this improvement after he has read the complete story on the attached sheet.

We appreciate your interest and are returning Mr. Freireich's correspondence for your files.

Cordially yours,

L. ROHE WALTER,
Special Assistant to the Postmaster General.

The Post Office Department is following improved modern merchandising practices by using a new, experimental Stampmaster changemaking and patron-operated stamp-vending machine that works 24 hours a day and gives information on how mail users can help themselves to better mail service, Postmaster General Arthur E. Summerfield has announced.

The new machine was first installed at a modern post office at McLean, Va. "It does more than merely talk," Mr. Summerfield emphasized. "Unfortunately," he added, "some of the early news stories on the device were incomplete and misleading."

"The early stories indicated that about the only thing it does is say 'Thank you.' Actually, the talking feature, consisting of about a dozen recorded messages that can be changed easily, gives important messages about the postal service to the postal patrons. And the talking feature of the machine adds only about \$30 to the cost."

"Prototype handmade models of the Stampmaster will cost about \$4,000. However, if the Post Office Department should desire to purchase them in quantity, after experimental use has proved their value, the cost would be considerably less."

"The Stampmaster," Mr. Summerfield added, "will accept one of a variety of coins—for example, a nickel, dime, or quarter. It is operated easily. The patron merely dials, on a telephone-type dial, what quantity of several different denominations of stamps

he wishes, such as 2-cent, 3-cent or 6-cent denominations. The machine dispenses these to him immediately and gives him whatever change he may have coming."

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., February 16, 1956.

Hon. BARRY GOLDWATER,
United States Senate.

DEAR BARRY: In reply to your letter of February 14, I can readily understand your concern over the misconception of some well-meaning citizens about the "Stampmaster" vending machine.

Actually, what we are trying to do with this machine is to further cut our operating costs, and at the same time improve the service to the mail patrons.

The new experimental changemaking, patron-operated stamp vending machine works 24 hours a day. It makes possible around-the-clock service to patrons without the necessity of human attention, which is vastly more expensive.

The first "Stampmaster" was installed in a modern post office at McLean, Va., on February 11, 1956. In the first 80 minutes use, you will be interested to know that the machine handled 133 transactions; in the first 48 hours (including Sunday), it handled 699 transactions.

Another "Stampmaster" was installed yesterday in the Benjamin Franklin Station.

This machine does far more than merely say "thank you" as reported in some of the early news stories on the device, which were unfortunately incomplete and misleading. Actually, the talking feature consisting of about a dozen recorded messages that can be changed easily gives important facts about the postal service to stamp buyers. This talking device was not in the original specifications but was added without cost to the Department by the manufacturer. If experiments prove that the patrons like this idea, we can have it installed in any new vending machine, assuming we go ahead with their purchase, for a very few dollars each.

The "Stampmaster" vending machine will accept a nickel, dime, or quarter, and it operates easily. The patron merely dials, on a telephone-type dial, the quantity of stamps he wishes, in the 2-cent, 3-cent, or 6-cent denomination. The machine dispenses these to him immediately, plus whatever change he may have coming.

Its use enables the patrons to buy stamps during business hours without waiting in line and at other hours of the day or night when stamp windows are closed. It will also save man-hours for clerks and could easily pay for itself in a short time.

The Post Office Department believes the proposed use of this "never sleeps" salesman is in accord with modern merchandising practices. If we find that our patrons like the idea—if it proves helpful to them as a convenient service—and if it proves to be a moneysaver, we shall then consider its adoption and use in post office lobbies where around-the-clock stamp dispensing service is justified.

Perhaps you will be interested in Congressman JOEL T. BROXTHILL's comments, and I quote: "The stamp vending machine is not just a cashier that says 'thank you.' It has many advantages, including the making of change for a variety of monetary denominations. It is a fine and labor-saving device. I have examined it very closely and I am impressed with its attributes and may I say that the good citizens of McLean are likewise impressed. The Post Office Department is to be commended rather than condemned for expediting the sale of stamps to the public."

Certainly we earnestly desire to immediately erase the bad impression that has been made on some of our citizens. I would be delighted to have you personally inspect,

with me, the machine in operation, at your convenience.

With kindest personal regards,

Cordially and faithfully,

ARTHUR E. SUMMERFIELD,
The Postmaster General.

RECENT STATEMENTS ABOUT OUR PREPAREDNESS PROGRAM

Mr. BENDER. Mr. President, yesterday I spent about 2 hours listening to television and radio broadcasts by 3 statesmen from the other side of the aisle. Their discourses concerned our being far behind Russia in our preparations for defense.

Of course, unless someone speaks out and attempts to give the correct information, some people will believe the things they hear from such persons.

I believe we have the best defense machine that we have ever had in our whole history. I believe we have a leadership that is competent and capable. We elected a great President, largely because of his military experience. Certainly he knows what is happening in the Defense Department, as well as in all of its branches.

We do have testimony from our experts on what the facts are concerning our defense.

Some people have the quality of saying nothing with immense seriousness. Yesterday, the air waves were thick with accusations about the deficiencies of our defense. I need not use superlatives or indulge in spurious conversation to make my point. There has not been a war in this century under a Republican administration.

President Eisenhower stopped the war in Korea. In his administration he has been intent in keeping us out of war by having the best defense of any country in the world. I do not know of a better deterrent to war than a strong defense. Without fanfare, without blowing of trumpets, and without ostentation, this administration is keeping the peace. As a matter of fact, everything is booming but the guns.

Air Force Secretary Quarles reassured the Nation February 18 on this Nation's defense strength after scare remarks by certain statesmen relating to Soviet propaganda boasts of superior achievements in the missiles field.

In testimony before the House Appropriations Subcommittee February 9 and 10, an edited version of which was released February 18, Mr. Quarles made these points:

First. The United States is probably well ahead of Russia in the guided missile race.

Second. A missile armed with a nuclear warhead is horrifying, but "it does not kill you any deadlier than a bomber does with an atomic bomb."

Third. Long-range bombers are the best way of reaching targets and will continue to be in any war occurring in the next 5 years.

Fourth. America will have B-52 bombers which can do a better job than any body with missiles for some time to come.

Fifth. Even if Russian boasts of the development of a 1,500-mile missile are

true, it would not materially affect the balance of arms power.

Sixth. Retaliatory bombing power is the Nation's best defense.

Without mentioning critics by name, Mr. Quarles told the House subcommittee:

I regard as highly misleading, and highly damaging to our whole position here, the whole line of publicity that says "this is an ultimate weapon, that we have no defense against it, that the first fellow that gets it is going to be on top and the rest might as well throw up their hands."

Earlier, Mr. Quarles had told the Air Force Association:

We have good reason to expect that the air power [we have] will continue to be an effective deterrent to keep an enemy from starting a war.

At the same time he said:

I am confident that in striking power this Air Force in being is superior to that of any other nation.

That the attacks were based on something less than solid fact was strongly pointed out in the Evening Star, Washington, D. C., editorial on Senator Symington entitled "How Does He Know?"

The Star, expressing the hope that the Senator from Missouri was not "trying to make a partisan issue out of the vital question of American air power," admitted a sense of bafflement as to the Senator's source of information. Referring to the Senator's televised remark that the Russians "are ahead of us in ballistic missiles" the Star said:

How does he know this? Does he have exclusive sources of information, or is the same information on which he relies available to the Defense Department?

And, concludes the Star's curiosity about the Senator from Missouri:

We do not see how any worthwhile national decision can be reached on the basis of undocumented accusations by Senator Symington.

President Eisenhower had much the same reaction to sources available to the two Democrats when he answered a reporter:

Well, I am always astonished at the amount of information that others get that I don't.

He concluded the discussion of guided missiles and misguided Senators by saying:

I think overall, we have no reason to believe that we are not doing everything that human science and brains and resources can do to keep our position in a proper posture.

Gen. Nathan F. Twining, Air Force Chief of Staff, followed up Secretary Quarles' House testimony with a statement to the Senate Armed Services Committee February 21 that the United States Air Force is still ahead of Russia in top-quality combat airpower, defenses, and guided missiles.

The missiles stir recalled a statement by Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, in Atlantic City, N. J., September 15, 1955. The admiral pointed out:

In my judgment, we have an industry-science-military team which is unbeatable. * * * I certainly would be unwilling to trade

this combination, or any part of it, for that of any other power.

This is not a quantity arms race. We have long since leveled off our military strengths for the long pull. We are not attempting to match any nation plane for plane, gun for gun, bomb for bomb, or man for man.

But we are attempting to maintain a qualitative superiority in men, weapons, and equipment so as to discourage, and, if need be, destroy an aggression with convincing force.

Defense Secretary Charles E. Wilson, told by a reporter that the Senator from Washington [Mr. JACKSON] had implied there might be need of a crash program for guided missiles, replied:

Well, I am trying to set up a program that won't crash.

Question. Mr. Secretary, would you say that we are doing everything we possibly could toward speeding the development of the intercontinental ballistic missile and the intermediate range ballistic missile?

Answer. I think the answer to that would be "Yes." Actually, it's a little broader than that.

Army Secretary Wilber M. Brucker told the Senate Armed Services Committee on February 20:

The Army is enthusiastic about its ability to cope with any military problem of the atomic age. The Army is modernizing every part of its equipment and weaponry as well as its concepts of tactics, strategy, and logistics.

Gen. Maxwell D. Taylor, Army Chief of Staff, answered a question on Communist numerical superiority, that "quality offsets a simple headcount."

On February 21 the House Armed Services Committee approved five projects aimed at accelerating development of the intercontinental ballistic missile. Four, involving land required for missile testing, were blanketed in secrecy. The fifth was a \$15.4 million project which included the construction of an atmosphere simulator at Ames Aeronautical Laboratory in California.

BARBARA D. COLTHURST

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 97) for the relief of Barbara D. Colthurst, which were, after line 8, insert:

SEC. 2. For the purposes of section 316 (a) of the Immigration and Nationality Act, Pedro P. Dagamac shall be held and considered to have been physically present in, and a continuous permanent resident of, the United States during the period from February 1946 until November 7, 1952, while temporarily absent from the United States in the employment of the United States Government.

SEC. 3. Notwithstanding the provisions of the Immigration and Nationality Act, the periods of time Edith Kahler has resided or was physically present in the United States or any State since December 11, 1947, shall be held and considered as compliance with the residence or physical presence requirements of section 316 of the said act.

And to amend the title so as to read: "An act for the relief of Barbara D. Colthurst, Pedro P. Dagamac, and Edith Kahler."

Mr. EASTLAND. Mr. President, on July 18, 1955, the Senate passed S. 97,

S. 1368, and S. 1540, all of which would consider as constructive residence for naturalization purposes, certain temporary absences from the United States of the beneficiaries. On February 7, 1956, the House of Representatives passed S. 97, with amendments to include the beneficiaries of S. 1368 and S. 1540. This is in line with the new policy of the House of Representatives to include the names of several beneficiaries of private bills into one bill and to shorten the time required for the consideration of private bills.

I move that the Senate concur in the House amendments.

The motion was agreed to.

JANE EDITH THOMAS—CONFERENCE REPORT

Mr. EASTLAND. Mr. President, I submit a report of the committee of conference of the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7588) for the relief of Jane Edith Thomas. I ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7588) for the relief of Jane Edith Thomas, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 301 (a) (7) of the Immigration and Nationality Act shall be considered to have been and to be applicable to a child born outside of the United States and its outlying possessions after January 12, 1941, and before December 24, 1952, of parents one of whom is a citizen of the United States who has served in the Armed Forces of the United States after December 31, 1946, and before December 24, 1952, and whose case does not come within the provisions of section 201 (g) or (i) of the Nationality Act of 1940."

That the House recedes from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

Amend the title so as to read: "An act granting the benefits of section 301 (a) (7) of the Immigration and Nationality Act to certain children of United States citizens."

HARLEY M. KILGORE,
JAMES O. EASTLAND,
ARTHUR V. WATKINS,

Managers on the Part of the Senate.

MICHAEL A. FEIGHAN,
FRANK CHELF,
RUTH THOMPSON,

Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. EASTLAND. As passed by the House, the bill would have made the nationality laws presently in effect applicable in the case of Jane Edith Thomas, a 4-year-old child who was born in Italy in 1951 of a United States citizen father who was stationed abroad with our Armed Forces. Her mother was a national of Italy. The child did not acquire citizenship at birth because she was born in 1951 when a wartime statute had expired. Under the 1952 Immigration and Nationality Act, the child would have acquired United States citizenship at birth. The Senate amended the bill by substituting language which would grant the same benefits, not only to Jane Edith Thomas but to all children born abroad of a citizen parent, who served in our Armed Forces between December 31, 1946, and December 24, 1952, and an alien parent.

This conference report adopts the Senate version, whereby the provisions of existing law would extend to all cases involving children born to an alien parent and to a parent who is a citizen of this country, who served in the Armed Forces after December 31, 1946, and before December 24, 1952. Such children would be citizens of the United States.

I move the adoption of the report.

Mr. WATKINS. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield.

Mr. WATKINS. Is the Senator speaking with reference to a conference report?

Mr. EASTLAND. Yes.

Mr. WATKINS. Is it a conference report which was held over from last year? My reason for asking is that I am the ranking minority member of the Subcommittee on Immigration, and I had not heard of any conference on a matter of this kind. I know of the bill to which the Senator is referring, I understand what it purports to do, and I am favorable to it; but I wanted to have the record clear as to what is taking place with reference to it.

Mr. EASTLAND. The House passed the bill during the closing days of the last session. The Senate amended the bill.

The PRESIDENT pro tempore. The Chair is advised that the Senator from Utah signed the conference report.

Mr. WATKINS. I am trying to find out if that was done in the last session. It must have been some time back. I am in favor of the bill, but I wanted the record to be clear as to its status. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

AGRICULTURAL ACT OF 1956

The PRESIDENT pro tempore. Is there further morning business?

If not, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

MULTILATERAL AND RECIPROCAL TARIFF NEGOTIATIONS—THE AMERICAN TEXTILE INDUSTRY

The PRESIDENT pro tempore. The Senator from Maine is recognized.

Mr. PAYNE. Mr. President, the Department of State on August 1, 1955, announced that the United States would participate in the 1956 multilateral and reciprocal tariff negotiations in Geneva under the General Agreement on Tariffs and Trade—GATT. Those negotiations are now in progress.

The list of products up for possible negotiation at this conference numbers about 900 types of foreign goods, including a few in cotton manufactures and others in flax and hemp, wool, wool manufactures, silk manufactures, and manufactures of rayon or other synthetic textiles.

While the number of textile products, particularly in cotton manufactures, up for possible negotiation this year is not so large as last year, I think this is an opportune time to once again call attention to the plight of our domestic textile industry and to sound a note of caution in regard to further textile tariff reductions.

At the 1955 GATT meeting in Geneva, severe cuts were made in a very wide range of textile import duties. Since the 1955 reductions took effect on September 10, there has been a sharp increase in textile imports, with the result that our domestic industry, already suffering from depressed conditions, is faced with the possibility of even more serious injury.

It would not be accurate to contend that imports alone account for the difficult conditions faced by our domestic industry. The fact is that the industry underwent a sharp expansion during World War II, and was able to maintain its capacity in the following years because of high civilian demand and the Korean war. In recent years the inevitable adjustment has taken place, resulting in hundreds of mill closings and many thousands of our citizens losing jobs. The problem has been accentuated because of declining per capita consumption of textiles and because of the stiff competition which synthetics are giving natural fibers. In addition mergers, industrial migration and disastrous floods have particularly affected the New England States, which are also suffering the general economic adjustments common to older economic regions. From 1947 to the first quarter of 1955 employment in New England textile mills dropped from 301,000 to 172,000, or 43 percent.

The position of the textile industry generally can be appreciated more fully by a comparison of certain figures. Since 1947-49 prices of all nonfarm commodities have increased by 15 percent, but cotton goods prices are down 10 percent. Prices of all commodities are up by 10 percent, while those of all textile-mill products and apparel are down by 5 percent. In the years 1952-55 returns on sales of textile-mill products averaged less than one-half the returns on all manufacturing. In addition, exports are

declining, as is total investment in plant and equipment in the textile industry.

Under these conditions of domestic adjustment, it is neither reasonable nor just to ask that the textile industry carry too great an import burden.

Japan, of course, is our most serious textile competitor. No one would quarrel with increasing Japanese imports in an expanding domestic market. But it must be remembered that our domestic textile market is contracting in many cases, with the result that imports may annihilate some manufacturing firms, generally the smaller ones which are trying to make the adjustments being forced upon them by basic economic changes in the industry itself.

There is general agreement that Japan has made a remarkable comeback in textiles and has now regained her prewar title of the leading textile exporter.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Maine yield to the Senator from South Carolina?

Mr. PAYNE. I yield.

Mr. JOHNSTON of South Carolina. I noticed that the Senator said Japan has made a wonderful comeback. Has not America helped her a little bit in her comeback?

Mr. PAYNE. There can be no doubt about that.

Mr. JOHNSTON of South Carolina. As a result of the money we sent to Japan, this country is facing increased competition from Japan at the present time.

Mr. PAYNE. There can be no question that without the aid which America has given Japan, she would not have come back as she has as a textile exporter.

Mr. JOHNSTON of South Carolina. She would not have made such a comeback at such a rapid rate. Is that correct?

Mr. PAYNE. That is correct.

Mr. President, in 1955 total exports of cotton cloth to the United States ran between 120 million and 130 million yards. This is double the 1953 rate, and the entire increase came from Japan. The inflow of wearing apparel from Japan is also becoming a major problem. Such imports were at a very low level in 1953, but doubled in 1954, totaling \$3 million. In 1955 they reached about \$15 million. The thing to remember about these figures is that most of the 1955 gains occurred under the old and much higher tariff which existed before the GATT reductions became effective in September.

Fortunately, the Japanese Government has in recent months taken steps to curb the flow of textile exports to the United States. It remains to be seen what the long-range effect of this voluntary action will be, but I think it is significant that the Japanese Government recognizes the possible dangers to its own trade posed by attempts to flood the American market.

One of the major reasons why Japan is able to make serious inroads in our domestic market is her low-wage situation.

Labor is the most important single element in textile production, accounting for about 40 percent of unit cost. The Japanese textile worker gets only approximately 14 cents an hour, while his American counterpart receives approximately \$1.36. American productivity is greater than that of the Japanese, but we must remember that Japan's industry is efficient and modernized. Her productivity is increasing week by week, and it is no exaggeration to say that our somewhat greater productivity seldom makes up for the gaping wage differential.

Furthermore, there is a strong element of unfair competition in this wage situation. According to the staff papers of the Randall Commission, on page 433, the test of unfair wage competition is whether the labor force involved is receiving wages, per unit of output, which are substantially lower than wages received in the country as a whole. Department of Labor figures show that the average hourly wage in all manufacturing and mining industries in Japan is 24 cents, while in textiles it is only 14 cents. This is a substantial difference, indeed, and may very well meet the test of unfair competition set up by the Randall Commission staff.

There is no question that Japan must trade to live. In recent years, as Japan finds some of her traditional Far Eastern markets closed to her, or more competitive than in prewar years, the United States assumes a more important place as a market for her products. And the United States, seeking a free and stable Japan, wants to help. That was one reason why we made such generous tariff cuts, ranging up to 48 percent, in favor of Japan at the 1955 GATT meeting, cuts which were extended to the other contracting parties of GATT on a most-favored-nation basis. The responsibility for strengthening Japan through greater trade rests not only with the United States, however. Some 14 nations, mostly in Europe, have become alarmed by the prospect of a flood of Japanese imports into their home markets, and have, as a result, refused to grant trade concessions to Japan.

To the New England or Southern textile worker out of a job it looks very much as if he alone is being asked to make sacrifices, while many other nations of the free world protect their workers by maintaining barriers against Japanese trade.

Last summer the Senate adopted Senate Resolution 121 directing the Tariff Commission to keep informed regarding the import of textiles and textile product imports and to be prepared to act promptly on any request for an escape-clause investigation under section 7 of the Trade Agreements Extension Act of 1951, as amended. While the resolution will have little practical effect in offering greater protection to the domestic textile industry, it did represent an awareness on the part of the Senate of the special problems of the industry.

Also introduced by 63 Senators last year, and now before the Senate Committee on Agriculture and Forestry, is

a bill (S. 2702) which would encourage the sale of cotton for export, and would limit imports of manufactured cotton products. In other words, among other things this bill would put an import quota on manufactured cotton products. I am a cosponsor of this bill, and realize full well the serious effects such legislation could have on our foreign-trade policy. I am sure that many of the cosponsoring Senators would agree with me that we should avoid, if possible, the imposition of an import quota. The United States today does not have one import quota on manufactured products. On the other hand, if, when the full effects of the 1955 tariff reductions are felt, it becomes evident that serious injury is being done to our domestic industry, then it may become necessary, Mr. President, to explore completely the need and the feasibility of an import quota.

The textile industry is one of the oldest and most important in this country. Its contributions in peace and in war are great, indeed. It would be the height of folly for us to take action which would contribute to the further decline of this industry. Our friends abroad fear nothing more than economic instability in this country. But that is exactly the situation we encourage by weakening one of our major industries which, in turn, is vital to the good economic health of many other industries.

The textile industry does not seek special favors. But it does ask, Mr. President, that the additional burden of ever-increasing imports not be added to its other troubles. The industry seeks a chance to adjust, to work out its problems, so that once again it can stand strong against all competition, from whatever source.

Our Government should explore alternative ways of dealing with the Japanese problem. In addition, we must strongly impress upon other countries their responsibilities for helping to solve that problem. In trying to live up to our own heavy world responsibilities, we must be careful, Mr. President, not to take action which spells serious injury to an important industry or to an entire area of our country, for such action might in the long run only defeat the cause we seek to promote.

Mr. ELLENDER. Mr. President, will the Senator from Maine yield to me?

Mr. PAYNE. I am very happy to yield.

Mr. ELLENDER. The Senator from Maine has made a very good suggestion, namely, that our Government make attempts in other ways to assist the Japanese.

I am sure the Senator from Maine is familiar with the fact that great difficulty is being encountered in developing trade between Japan and Korea, which is one of the natural markets for the Japanese.

Mr. PAYNE. Yes.

Mr. ELLENDER. Serious trouble is also being encountered in getting the Japanese to trade with the Philippines.

Mr. PAYNE. That is correct.

Mr. ELLENDER. And likewise with Formosa.

Mr. PAYNE. We are also having difficulty in getting some of the other countries, which should be standing with us in encouraging trade which will help Japan remain firm and be able to recover, likewise to give a little aid, instead of asking the United States to give all of it.

Mr. ELLENDER. Yes. In my mind there is no question but that the best way to help Japan is to permit her to expand her markets.

Mr. PAYNE. That is correct.

Mr. ELLENDER. It strikes me that our Government should work with the Philippines and also with South Korea in attempting to help Japan expand her trade in Southeast Asia, where the Japanese traded during the pre-war years. If such a course were pursued, then, in my humble judgment, the Japanese would not be so anxious to dump their goods on our market, as they have done in the past.

Mr. PAYNE. Mr. President, I think the Senator from Louisiana has made a very clear point; and I believe it will be recognized that, naturally, the Japanese would prefer to do business close to home, in their own natural trade area or field, rather than to have to look to markets many thousands and thousands of miles away from the shores of Japan. But until that objective can be explored, and until we can find ways and means of achieving that result, of course everyone who wishes to see Japan remain strong must be willing to give help. However, all the burden should not be placed on our shoulders.

Mr. ELLENDER. That is true; but it strikes me that we are now in a position to help Japan develop markets in her historic area, since the Philippines and South Korea and Formosa are so dependent upon us for aid.

I made that suggestion when I returned from abroad, last year, after I had visited Formosa, Korea, the Philippines, and elsewhere in Southeast Asia. It seems to me that a large market there can be developed in behalf of the Japanese, so that, as we have just indicated, they will have adequate markets in their own area.

Mr. PAYNE. That is correct.

Mr. ELLENDER. I believe that we stand in a good position to do that.

Recently did the Japanese not enter into an agreement or understanding to the effect that they would limit to some extent their cotton textile exports to the United States?

Mr. PAYNE. That is true. Of course, the heads of the Japanese Government recognize that the United States has been one of Japan's fields of trade, one of the areas to which the Japanese could send goods, and where they could trade. The Japanese are quite realistic. They realize that if a strong storm of protest arises in this country because of the danger of damage to our domestic industries as a result of Japanese imports, such a development would not place Japan in a very strong position. So I think they have been realistic in facing the situation and in trying to work out an arrangement which can be of mutual help.

Mr. ELLENDER. The Senator from Maine concedes that that would be a good thing to do, does he not?

Mr. PAYNE. Certainly.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Maine yield to me?

Mr. PAYNE. I yield.

Mr. JOHNSTON of South Carolina. I wish to commend the Senator from Maine for the presentation he has made. What he has stated is very important.

If the Japanese were allowed to flood the United States with goods of their manufacture, I believe that would create many headaches and considerable unemployment in our country—something which we do not want to occur. Nevertheless, it is likely to occur if there are considerable imports of Japanese goods, because our labor cannot compete with Japanese labor. That is one of the chief troubles we are facing at the present time.

Inasmuch as salaries and wages in Japan are probably one-sixth of those in the United States, we cannot expect our manufacturers to be able to compete with Japanese manufacturers.

Mr. PAYNE. In fact, Mr. President, I think wages and salaries in Japan are approximately one-tenth of those in the United States.

Mr. JOHNSTON of South Carolina. Furthermore, the Japanese buy their cotton for less than our manufacturers have to pay for the cotton they buy in the United States. The Japanese buy cotton on the world market; and the world market is usually from 5 to 6 cents a pound lower than the United States market, in which our manufacturers purchase the cotton they use. That situation makes it almost impossible for American manufacturers to meet the competition of Japanese manufacturers.

Therefore, in my opinion, all we can do is have a quota which will protect American manufacturers, and make it possible for the Japanese to trade with the countries near Japan, and thereby not seriously affect our market. Of course, such trade will affect our market to some extent—but perhaps to only a small extent.

However, as I understand, at the present time the Japanese are in a mood to agree with us along those lines, or at least they have thrown out a hint that they would be willing to do so.

Mr. PAYNE. I think they are realistic about the situation.

Mr. JOHNSTON of South Carolina. If we are to go ahead and enter into agreements with them and establish a quota on Japanese goods to be brought into the United States, I think we had better do it now, rather than to wait, because they might change their minds later. We could impose a quota, but it would be much better to do it by agreement with them, rather than to force it on them.

Mr. PAYNE. I agree very definitely with the Senator from South Carolina [Mr. JOHNSTON], and also with the observations of the Senator from Louisiana [Mr. ELLENDER]. I think we must first make sure that our own domestic industry is given an opportunity to continue.

The impact is felt, not only in the so-called yard-goods industry, as relates to textiles, but it can very well find its way into the apparel manufacturing end of the business, as well as the textile machinery field. The effect can be multiplied over and over again. The bobbin manufacturing industry, and all other fields related to textiles are affected. The impact could be very serious, resulting in a tremendous upset of the economic structure of the textile industry.

There are definitely fields in which our Government, through its proper agencies, should endeavor to help the Japanese to develop their natural trade areas, so as to enable them to take some of the Japanese production. It is only commonsense to realize that Japan must find an outlet if it is to live and be a strong and sound nation.

So we have a dual purpose. First, we must put on realistic glasses and look at our own situation. Then we must look at the situation of the Japanese, and see if we cannot mutually agree upon something which will be of benefit to both countries.

Mr. JOHNSTON of South Carolina. We have finally arrived at a uniform wage to be paid throughout the United States.

Mr. PAYNE. The Senator is correct.

Mr. JOHNSTON of South Carolina. There was a time when wages paid in the South were much less than those paid in the New England States. The effect was felt by the New England States at that time. During recent years wages have been approximately the same in both areas. I know whereof I speak, because at one time I worked at a cotton mill in the South for 25 cents a day—not for 1 day, but for months. Later I received 50 cents a day. I know how the various areas of the country were affected. Now the entire United States is being affected by what is taking place in Japan.

Mr. PAYNE. The Senator is correct.

Mr. President, if there are no further questions, I yield the floor.

Mr. THURMOND. Mr. President, I wish to commend the distinguished Senator from Maine for his statement and compliment him for the information he has brought out today. I also wish to congratulate him for the fine cooperation he gave last year on this important subject, when we were discussing it with Senators, appearing before the Finance Committee, and when we were introducing legislation to bring about the desired result. This subject is of great importance to the New England States and to the Southern States.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. PAYNE. While bouquets are being passed around, I should like to commend the distinguished Senator from South Carolina for the great amount of work he has done on this very important subject. He recognizes the great value of the textile industry to the Nation as a whole, as well as to particular regions.

I have been most happy to join with him in several efforts, along with others of our colleagues, to see if we could not

arrive at some realistic approach which would tend to stabilize and save an industry which is continually feeling a depressing effect upon its operations.

Mr. THURMOND. I appreciate the kind words of the Senator from Maine. The distinguished Senator from Maine has a keen appreciation of the importance to the economy of this Nation of the great textile industry.

Mr. President, I, too, am deeply concerned with the textile situation with regard to imports and exports.

In 1947, which was a peak year for cotton textile exports from the United States, this country imported only 3.2 percent as much cotton textiles as it exported, based on dollar value.

In 1955 we exported \$244,700,000 worth of cotton textile products, but last year textile imports amounted to \$120,900,000. This means that imports in 1955 were 49.4 percent as great as our exports of cotton textile goods.

The significant point in these figures is that we are rapidly losing our export markets for cotton textile goods.

This means trouble for the cotton farmer as well as for the textile manufacturer.

In 1947 the United States was exporting the equivalent of one and a half million bales of cotton in the form of textile products. But in 1955 our exports of textile products amounted only to about a half million bales of cotton.

Practically all of our cotton textile exports are in the form of yard goods. Our overseas purchasers buy from this country to get American skill in designing and styling and because of the speed with which we can deliver their orders, compared with other textile manufacturing countries.

Much of the imported goods from Japan to the United States is in the form of made-up goods, such as shirts and blouses. A comparison of yard goods imported with yard goods exported does not accurately reflect the trend.

About 50 percent of the cotton textile fabrics imported from Japan is made-up goods. I am informed that in December alone 21 million yards of yard goods were shipped from Japan to the United States. In addition to this, it is reported that Japan shipped 15 million cotton blouses and shirts to this country in December. This would mean another 18,750,000 yards of cotton goods in the blouses and shirts. Other products totaling two or three million yards of made-up goods also were shipped to the United States in December.

This would mean a total of 41 million yards of cotton textile goods—made-up and not made-up—were exported from Japan to the United States in December 1955.

On the other hand, our exports of cotton textiles are estimated by the Export Association as amounting to only 39 million yards of goods in December.

Thus, based on these figures, for the first time in history the month of December saw the United States import more cotton textile products than were exported from this country in the same month.

The United States is a natural textile-exporting country, because we have the

largest industry in the world and offer more diversified goods. Also we are the largest producer of raw cotton.

I am deeply concerned with this situation which has developed. If the administration does not take administrative action to halt this dangerous trend, I hope that the Congress will act.

Mr. President, I wish now to read a letter addressed by me to the Secretary of State, Hon. John Foster Dulles, under date of February 27, 1956. The letter reads as follows:

FEBRUARY 27, 1956.

HON. JOHN FOSTER DULLES,
Secretary of State,

State Department, Washington, D. C.

DEAR MR. SECRETARY: Because of my deep concern on behalf of the more than 1 million persons of this Nation's textile industry, 133,000 of whom are in my own State of South Carolina, I am writing to ask you to consider approval of negotiating quota agreements with Japan which has poured an increasing stream of cotton-textile products into the United States. Or you could exercise authority already vested in you by law.

Government reports and trade reports out of Japan show that textile imports greatly increased during the last months of 1955. Based on the surge of imports since the negotiation of the GATT agreements started in Geneva last year, I believe it is no longer wise to judge the effect by comparing the total of 1955 textile imports with the 1954 total. Even that comparison shows a tremendous increase, but the data of the recent months should be recognized as a danger signal.

Our domestic cotton producers and our textile manufacturers and the people they employ will all suffer unless adequate safeguards are established to protect against imported goods manufactured from cheap cotton and by low-wage labor in foreign countries.

From the base periods of 1947-49, the cotton-textile industry price index has declined 8 percent, while the index of other industries has risen 18 percent on an average. Consumption of cotton products has been nearly static since the base period while consumption of all other industrial commodities has increased about 17 percent.

If penalties such as the agreements negotiated for the reduction of textile tariffs last year are to be imposed on the industry, the result is that cotton textiles have no prospect of progressing like other industries.

Unless action is taken by this country, we cannot hope for Japan to continue voluntary control of their exports. Only by self-protection, or at least by negotiated agreements for protection of our interests, can the United States prevent an eventually disastrous volume of textile goods from being poured into this country.

I urge your immediate attention to this matter.

With kindest regards,
Sincerely,

STROM THURMOND.

STATEMENTS BY SECRETARY DULLES ON SOVIET POLICY

Mr. FULBRIGHT obtained the floor.

Mr. ELLENDER. Will the Senator yield so that I may suggest the absence of a quorum?

Mr. FULBRIGHT. In view of the fact that my remarks may be considered to be critical of the Secretary of State, I believe I will yield to the Senator from Louisiana so that he may suggest the absence of a quorum, provided I do not lose the floor.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

Mr. ELLENDER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LANGER. Mr. President, I object. I think a Senator who is about to address the Senate is entitled to a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The clerk will continue to call the roll.

The Chief Clerk resumed the call of the roll.

Mr. ELLENDER. Mr. President, I renew my request that the order for the quorum call be rescinded.

Mr. LANGER. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I wish to thank the distinguished Senator from North Dakota for withdrawing his objection.

Mr. President, I desire to invite the attention of the Senate to a matter which dwarfs all other subjects before it. To put it plainly, it is this: Will the Secretary of State Dulles tell America the truth about our present peril, or will he say one thing publicly and the opposite privately? Will he give us a fair chance to decide for ourselves, with full knowledge of the facts, what efforts we should make for our own salvation, or will he lull us to sleep in an hour when the Soviet Union has launched a powerful diplomatic offensive against us? Will he by his candor rally the free world to a trust in American leadership; or, from an apparent craving for popular approval, will he endanger the mutual trust which supports the association of free peoples?

In putting these questions before the Senate, let me make one thing quite plain. I know that no American Secretary of State walks an easy path. His motives may be pure, his patriotism may be firm, his acts may be wise, yet the problems that crowd upon him do not lend themselves to easy answers. Some of the problems lie wholly beyond his control. Some have been gathering force long before most of us here were born, and no one among us can dispose of them with a flick of the wrist. We may, in fact, have to reconcile ourselves to the fact that our grandchildren may be wrestling with some of the same problems that plague us here today.

For this reason, any Secretary of State merits and should receive every sympathy and every ounce of support within our power to give. I, for one, as a Democrat, recall an all too recent chapter in American history, and I have no desire to repeat it. I have no desire to vilify a Republican Secretary of State, as a recent Democratic Secretary of State was vilified because he did not reverse every world current that was adverse to America. Apart from the wrong to the person involved, we have seen all too

clearly how this kind of partisanship makes the whole of America its victim.

What we want and what we will support is the truth, however unpleasant. What we want and what we will support is a Secretary of State who will not treat us as children ready to clap in delight at every fairy story, however fanciful. What we want and what we will support is a Secretary of State who will come to us, not with packaged solutions to every ill that plagues the world; but who will come to us, instead, with a statement of facts about the nature of those ills. Such a Secretary of State would win our respect for his courage, and for the respect he himself showed the truth.

It is my unpleasant duty to say that on Friday of last week in the Foreign Relations Committee, we did not have such a Secretary of State.

The Secretary's statement about Soviet policy was so fantastic that a leading and respected journalist, Mr. Reston, stated in an article in the New York Times on Sunday that Mr. Dulles does not himself believe his own statement.

What could possibly induce the Secretary of State to attempt to deceive the American people about the deadly menace which confronts them?

Why did he offer us on Friday an estimate of the world situation which was more like a midsummer dream than any transaction now going on in the world of real things? To raise the question is to state the exact point at which the Secretary of State subverted what it is that makes for responsible power. For if America were a dictatorship like the Soviet Union, Mr. Dulles would be at liberty to practice the little arts where words need not be consistent in their meaning, nor represent any realities whatsoever. Like Mr. Khrushchev or Mr. Bulganin or Mr. Molotov, he could say one thing on Friday, do an opposite thing on Saturday, and say yet a different thing on Sunday. He could proceed this way because under a dictatorship public opinion does not have to be consulted. Whatever the people think, the means for executing policy can be extracted from them—if necessary, at the point of a bayonet.

This is not the case in the United States. The fact is that America is not the Soviet Union. Nor are our allies satellites. We and our allies have drawn together for the express purpose of preserving systems of government where an informed public opinion can be the source of public policy, the guide and the controlling force over public policy. But I ask the Senate: Are these systems of government well served when a Secretary of State misleads public opinion, confuses it, feeds it pap, tells it that if it will suppress the proof of its own senses, it will see that Soviet triumphs are really defeats, and Western defeats are really triumphs? Will such a public opinion be prepared to make new sacrifices when the Secretary of State implies that the battle against the Soviet bid for world dominion has been won?

And what of the Members of the Senate when we return to our people? Will our people believe us when we ask them to approve of the votes we may have to

cast for new outlays related to our foreign affairs? Have not the people been provided by the Secretary of State with a reason for resisting such outlays—for resisting them on the ground that the Secretary of State, by his testimony, said that Soviet designs had been frustrated already?

Consider in closer detail what Mr. Dulles told us on Friday. Briefly, he told us that the Soviet Union was losing the cold war. And what proof did he offer? He said:

At this very moment, in Moscow, they are having to revise their whole program. If we had to go through such a revision and change of our whole program as they are undergoing, it would be advertised all over the world that we had failed. The fact is, they have failed, and they have got to devise new policies.

Mr. Dulles said further that the Soviets were not making progress in the Middle East; that the speeches of Khrushchev and other party leaders in Moscow during the recent Congress indicated a failure in their foreign policy; and that as a result of this failure "they have got to revamp their whole creed, from A to Z."

In addition, he said:

But one thing that is absolutely certain is the unity and firmness and resolution of the free nations during the past few years have caused the Soviet policy to fail, and today they are trying to figure out how they are going to get a better one.

It is in the nature of a delusion which, if it pierces the human mind, does so because of a small truth it twists. In this light, this much is true enough: The unity of the free world, as it was first forged after the Second World War, checkmated the Soviet policy of expansion as it was pressed along rigid Stalinist lines. Moreover, by our program of economic aid, technical assistance and cultural exchanges we managed to brace countless nations against the shock of subversion from within their own borders. Yet the success we achieved during this period was due in large measure to two circumstances: First, the monopoly of nuclear weapons; second, a monopoly over the capacity to export capital for the use of underdeveloped countries.

In recent years, however, both monopolies have been broken by the Soviet Union. They have an ever-increasing arsenal of nuclear weapons, and an ever-increasing capacity to deliver them on to their targets. At the same time, whether by squeezing the living standards of their own people, or by other authoritarian means, apparently they have arrived at a position where they can offer underdeveloped countries capital and technical assistance for their development. In short, they now appear to be able to imitate the best features of American policy and are pressing ahead with vigor and determination.

By no stretch of the imagination can these developments mean defeat for Soviet policy. Quite the contrary. The changes in the Soviet Union have led directly to a position of strength which enables the new leaders to press on with renewed vigor toward the old aim of world dominion—and to do this by more

effective means than by following the bluster, threats, and blackmail crudely employed by the Stalinist regime. In Stalinist days, America and its friends abroad recognized the danger of overt aggression, and drew together to meet force with force. But can they meet the new form of Soviet challenge, a challenge which was underway long before the 20th congress in Moscow? Can we meet this more subtle, more astute challenge if we are told it is not a challenge, but a confession of failure?

Mr. President, I ask in all candor, does the skillful way the Soviet Union has posed as the champion of Asiatic peoples represent a triumph for Western diplomacy as Mr. Dulles suggests? It does not. Does the sight of tens of millions of people cheering Soviet leaders in India and Burma represent a dismal failure of Soviet policy? I think not. Does the dramatic and vigorous entry of Russia into the once forbidden zone of the Middle East represent a setback for the Kremlin? It does not. Is the shaky edifice of the Baghdad Pact a proof that all is well with the Western cause in that part of the world? I think not. Are the cracks in Western Europe, the citadel of the Western Alliance, a reason for applauding the course American diplomacy has recently taken? I think not.

Indeed, wherever one looks, even in our own Latin American neighborhood, there is the Soviet Union on the march, confident, even cocky, wearing a false mask of new respectability, talking treacherously in soft words that are suited to parliamentary governments, and losing no chance to preempt the cause of peace for its exploitation. Wherever one looks, there is the Soviet Union, parading itself as the friend of the underdeveloped peoples, ready to help them raise their miserable standards of life, without requiring first that they enter into military alliances.

And wherever one looks there is an impression of America that is a bitter caricature of what America really is and what it really wants—but caricature, nevertheless, which a good part of the world takes for reality. It accepts it, among other reasons, for causes that can be laid directly at the door of the present Secretary of State. It believes that America can think of the fight for peace in no terms except that of military alliances and the shipment of arms.

We in America know that this is false. We know that since V-J Day we have taxed ourselves to the tune of \$55 billion to aid the world's economic and political recovery. We know that we have asked nothing of the people on the receiving end of this aid except that they shall remain the authors of their own history, and shall not permit themselves to be one more sheet of paper on which the Communists shall stamp another grim chapter in their bid for world dominion.

The new strength and boldness of the Soviet policy should not be the occasion for despair, nor should it be misrepresented as a sign of failure. It should cause us carefully to reassess our resources, reevaluate our policies, and rededicate ourselves to a program of action designed to demonstrate by deeds, and not words, the superiority of our system

of society. We are deprived of any chance to make the right decisions to this end if the facts which confront us are misrepresented by those who, because of their official position, are presumed to know the truth. If our commonsense can be fortified by the truth, I believe that human liberty can still prevail over the police state of the Soviets.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a series of articles written by some of the best qualified writers in this or any other country in the field of foreign relations, as follows:

An article entitled "Mr. Dulles and Mr. Kennan On Soviet Policy," written by James Reston, and published in the New York Times of February 26, 1956.

An article entitled "Coue and Dulles," written by Joseph and Stewart Alsop, and published in the Washington Post and Times Herald of February 27, 1956.

An article entitled "A Revealing Blunder," written by Walter Lippmann, and published in the Washington Post and Times Herald of February 21, 1956.

An article entitled "Our Time Is Running Out In Southeast Asia," written by John Cowles, and published in the Washington Post and Times Herald of February 26, 1956. Mr. Cowles is president of the Minneapolis Star and Tribune, and has just returned from Asia. The title of his article is a coincidence.

An article entitled "Soviet Poses a New and Greater Challenge—Stalin's Static Communism Is Ended as New Era of Dynamism Begins," written by Harrison E. Salisbury, and published in the New York Times of Sunday, February 26, 1956.

An article entitled "Russians Are Scoring in Asian Propaganda," written by Thomas J. Hamilton, and published in the New York Times of Sunday, February 26, 1956.

I consider Mr. Salisbury and Mr. Hamilton to be authorities in this field.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of February 26, 1956]

MR. DULLES AND MR. KENNAN ON SOVIET POLICY
(By James Reston)

WASHINGTON, February 25.—Secretary of State Dulles celebrated his 68th birthday today by playing host to President Eisenhower at a dinner party and getting himself involved in another rousing controversy.

He told the Senate Foreign Relations Committee yesterday that the new Soviet policy of tolerating Titoist tendencies in other Communist parties and trying to destroy Western influence in Asia and Africa by economic and political offensives was not a sign of Soviet strength but of Soviet weakness.

He asserted that the United States was stronger in relation to the Soviet Union today than it was a year ago, that the Soviets were not making progress even in the Middle East, and that their recent moves merely proved the wisdom and dramatized the success of our own policies.

The committee was astonished. Ambassadors in the committee room from friendly countries with long experience in the Soviet Union were dumbfounded.

MR. KENNAN'S VIEW

Mr. George F. Kennan, former United States Ambassador to the U. S. S. R. and

probably the shrewdest student of Soviet policy in the Western world today, could hardly believe the news this morning.

"The Soviet threat," he said, "is more serious today than at any time since 1947. I do not recognize the world Mr. Dulles is talking about."

Mr. Kennan does not deny that the organization of the Western nations in an anti-Communist coalition has greatly influenced Soviet policy and encouraged Russia to change from a policy of rigid violence to a more subtle policy of economic penetration and political subversion.

What he denies most emphatically, however—and he is supported in this by almost every Soviet expert in the Capital—is that Soviet policy is being changed, as Mr. Dulles said, "from A to Z," and that it is not making progress.

On the contrary, he thinks Moscow's switch to a more lenient policy toward the Communist parties in France, Italy, and other countries, and its economic barter policy in Asia and Africa is designed to detach the Western powers from those areas and is much more likely to do so than the policies followed in the Stalinist era.

The Communist leaders, in their party congress in Moscow this week, did not, as Mr. Dulles said, "revamp their whole creed." They did not rule out violence as an instrument of policy. That merely said that there were places and occasions where their objectives could be achieved without violence.

Stalin did not feel strong enough to permit deviations among the other Communist parties from the rigid Soviet line. Khrushchev and Bulganin, in Mr. Kennan's view, are more flexible and confident. They are now saying to the Communist leaders in other countries: "Take power if you can, by parliamentary means if you like, in accordance with the political structure of your particular countries. The main objective is to weaken or destroy American and other Western influence where you are."

Mr. Dulles took the position that the new Soviet emphasis on economic aid and technical assistance to neutral and underdeveloped countries was merely proof that they were adopting policies favored by the Western Powers for many years. The Soviet experts here do not deny this. What they deny is Mr. Dulles' interpretation that this proves their failure and their weakness.

On the basis of what the Secretary of State said yesterday, the Senate Foreign Relations Committee and the Nation would be justified in assuming that everything, therefore, is all right, that the policies of the present will take care of the Soviet offensive if they are merely modified a little and made more resilient.

THE OTHER DULLES

Nobody here really believes this, and the astonishing but comforting fact is that neither does Mr. Dulles. He is not a new boy in town. He is not only aware of the menace of the new Soviet tactics, but he has been saying privately for months that the more resilient and imaginative Soviet policy of Khrushchev was in many ways a greater menace to the West than the rigid policy followed by Stalin.

Mr. Dulles has merely got caught once more in the increasingly disturbing official habit in this city of giving one impression in public and another in private.

The Dulles of yesterday was the old defense lawyer scoring debating points in a political atmosphere. The Democrats were after him, so he went over to the offensive. He told the truth but he didn't tell the whole truth. He noted the Soviet change of tactics, and claimed that it was a justification for boasting, but he did not grapple with the consequences of the change.

Now, of course, he will have to grapple with them. His statements made propaganda abroad and they weren't bad politics

at home—particularly with an electorate that wants to be told comfortable things—but he will now have to get appropriations for foreign aid out of a Congress that has been told we are ahead and the Soviets are making "very little progress," even in the Middle East.

[From the Washington Post and Times Herald of February 27, 1956]

COUE AND DULLES

(By Joseph and Stewart Alsop)

In his appearance before the Senate Foreign Relations Committee, Secretary of State John Foster Dulles has now elevated the practice of Coueism to the status of a major technique of American foreign policy.

For those whose memories do not go back so far, Dr. Emile Coue was an amiable, bearded pseudo-physician who brought a new panacea out of France in the 1920's. By taking thought, said Coue, you could cure yourself of anything from a hernia to the blind staggers. All you had to do was to repeat often enough, with enough loud conviction, "Every day, in every way, everything is getting better and better."

The fad caught on for a while; but after a bit it was observed that the blind staggers went on staggering and the hernia sufferers could not do without their trusses. Now, however, the Coue cure-all has been resurrected from obscurity, with the august endorsement of the Secretary of State of the United States.

What Dulles told the Senate Foreign Relations Committee, in brief, was that the Soviet Union was now losing the cold war. "One thing is certain," he declared with exalted conviction, "the unity of the free world has caused the Soviet policy to fail, and right today they are trying to figure out a better one . . . at this moment in Moscow, they are having to revise their whole program. If we in this country had to admit that, we would be advertised all over the world as having failed. They have failed."

These statements are truly remarkable, for several rather simple reasons; they are wholly unsupported by a shred of intelligence data. They are not believed by any of Dulles' own ambassadors. They are not believed, either, by any member of the higher staff of the State Department, with the possible exception of 1 or 2 courtiers who have a knack of believing what is currently expedient, and they are not believed, finally, by any leader among our major allies.

Except for Dulles, expert opinion unanimously attributes the important changes in the Kremlin's policy line to a new self-confidence, derived from the great improvements in Soviet military posture and gains in heavy industry which Dulles himself mentioned to the Senators.

Before he became a minority of one, even Dulles used to hold this same view. In earlier briefings of the press, he himself has frankly stated that the Kremlin's abandonment of the rigid and brutal Stalinist line in favor of a more flexible and less doctrinaire policy has greatly increased the dangers and risks of the free world. It would be interesting, then, to know what has changed the Secretary's mind.

Certainly the hard facts of the world situation do not offer any support to the new Dulles view that "every day, in every way, everything is getting better and better." Throughout almost all of Asia, the Communists are making such rapid and disturbing progress that two warm Eisenhower supporters and extremely accurate observers, John Cowies and Paul Hoffman, have just returned from Asian journeys to raise the alarm in this country.

In the Middle East, the outlook is so dark that leading members of Dulles' own staff have been quoting the odds on an Arab-

Israeli war as about 50-50 either way. Even if the war danger is surmounted this year, moreover, it is universally admitted that the new Communist political offensive in the Middle East has already scored brilliant successes. It is also becoming clear that Communist infiltration in certain of the Arab States is now very far advanced.

Even in the citadel of the Western alliance, in Western Europe, the situation shows signs of grave deterioration. France is in chaos, and will hardly emerge from chaos without the loss of the position in North Africa that makes France a major power. Britain, too, is in the midst of an acute economic crisis. Moreover, far eastern and middle eastern revenues and all that balance Britain's books, and thus the Communist pressure in these areas now threatens Britain with irretrievable bankruptcy of a sort that would destroy Britain's great-power standing.

Even in West Germany, American policy rests solely on the frail foundation of a wonderfully brave but very old and very ill man, Chancellor Konrad Adenauer. The future German Army is not shaping well. And almost every American observer on the spot agrees that if anything happens to Adenauer, Germany will move rather rapidly toward a neutralist position, probably leaving NATO to buy German reunification.

Altogether, it is not a pretty picture. But perhaps the Coue method really will work in foreign policy, although it was a dud in medicine.

[From the Washington Post and Times Herald of February 21, 1956]

A REVEALING BLUNDER

(By Walter Lippmann)

The affair of the Saudi Arabian tanks is a ludicrous but damaging example of what can happen in a big and complicated government when it is not clearly led and firmly administered from the top. For months this Government has been faced with the dangerous problem of arms shipments to the Middle East. On this subject there has recently been a conference at the highest level between the President and the British Prime Minister. There have been many pronouncements about arms for the Middle East. How then could it happen that the State Department had forgotten about its own approval of the sale of the Saudi Arabian tanks, that the Defense Department was operating without realizing what a mess the shipment of these arms would now cause, once the facts became known?

The reason for this incident must be that there is no high policy for the Middle East which comes from the top and is administered all the way down the line from the policymaking officials to the operating officials. The President has not, of course, been truly in command, certainly not since his illness, in fact not really since he went to Denver last August. Yet it is only the President who can effectively coordinate two great departments like State and Defense. He can coordinate them only if at Cabinet meetings and elsewhere he makes the heads of these departments understand clearly what the policy is. It is only too obvious that nothing of the sort has happened during the past 6 months, or could have happened.

The lack of a high command has been aggravated by the way Mr. Dulles conceives the office of Secretary of State. He thinks of himself as a roving negotiator, who represents the President's constitutional authority to conduct foreign affairs. He works out high problems by personal negotiation, and then leaves the policies to be administered and operated in his absence by officials who do not know at first-hand what they are. Mr. Dulles is not in Washington long enough or continuously enough to command the operations of his Department. The effect, as the Saudi Arabian tanks illustrate,

is to leave the immediate business of the Government to be operated by bureau chieftains on their own notions without overhead directions from the top.

The administrative confusion is not the only, or indeed the most serious, consequence of the way our affairs have been conducted during the past 6 months. There has been nobody at the top whose business it has been, or who was able, to face up to the new Soviet challenge which has confronted us since the first Geneva meeting. The President has been too ill to deal with it, and Mr. Dulles has been too preoccupied with his travels, his negotiations, and his speeches. In these past 6 months we have suffered the biggest and most serious setback since the Communist victory in China.

The fundamental cause of the setback is that the Soviet Union has been developing a new foreign policy since Geneva whereas we have remained frozen and inflexible in the policy of the pre-Geneva period. That is why there is scarcely a country from France and Italy and Germany and Greece to India and beyond where the pro-Western and pro-American parties and politicians are not in trouble. With nobody at the top in Washington who can and will take new decisions, our diplomacy is almost everywhere fighting unattractive rear-guard actions.

It would be interesting to know who, in the high places where decisions can be taken, has been putting his mind on the speeches delivered last week at the Communist Party Congress in Moscow. They are very long speeches. But they are exceedingly important. Their common theme is that within the Communist world, they have an industrial system which is, in the terms of national power, not only in arms but also in the means of capital development, already reaching equality with the West. The Soviet leaders have been declaring that the rate of economic growth in the Soviet Union surpasses that of all countries, and that, therefore, they will become a more and more formidable competitor in the economic and political markets of the world.

I do not know whether all the statistics that were put out last week are correct. But the world will not doubt the great fact that the Soviet Union is now the strongest power in Eurasia. It is this economic fact which accounts for the extraordinary tone of confidence that pervaded all the speeches made in Moscow last week. It also explains the ideological and political declarations about how Khrushchev and his people expect to win the cold war without revolutionary violence. They believe that in the competition with us for influence in the uncommitted countries, they can make more attractive offers than we are likely to make.

Even if they cannot offer as much economic aid as we could, they will be able to offer more than Congress will allow us to offer. Moreover, whatever they offer, they can offer on terms which are politically more attractive than the terms which Congress insists that we should impose.

They are in a stronger bargaining position in the uncommitted nations. For they do not ask, they do not need to ask, for military pacts or their equivalent. They are able to identify themselves with the popular longing to remain unentangled. What is more, in the underdeveloped countries, which are by definition without capital resources, the governments must necessarily play the principal role in capital formation. This suits the socialist ideology of the Russians. It runs at cross purposes with our own antisocialist ideology.

The new challenge of the Soviet Union is very formidable indeed. If we are to meet it, we shall have to reverse ourselves on a number of things which are strongly believed in here. We shall have to be willing to export capital on a considerable scale. We shall have to be willing to do that without insisting on military terms, without penalizing

political neutrality, and without expecting the underdeveloped but old and crowded countries to adopt all the principles of the American free enterprise system. We shall, in other words, have to be willing to contribute capital to countries which, as neutrals and as socialists, will be unlike the United States.

The alternative, I believe, is to go on losing our influence in the uncommitted world.

[From the Washington Post and Times Herald of February 26, 1956]

OUR TIME IS RUNNING OUT IN SOUTHEAST ASIA (By John Cowles)

"Why," I asked one of the most distinguished editors in India, "are the Indian people, who are so violently opposed to colonialism in Asia, apparently indifferent to Soviet Russia's colonialism in Eastern Europe?"

"Because Asians think of colonialism as being the rule by white people of colored people," the editor answered, "and the people who live in Russia's European satellites aren't colored."

"But, then, why don't Indians regard Communist Russia's occupation of Czechoslovakia and Poland as being, if not colonialism, at least imperialism?" I asked.

"Because Russia does not have an emperor," was the reply. "To Asians, imperialism means exploitation by a foreign country which has an emperor. You will recall that the British formerly called their King the Emperor of India. Russia today has no emperor, no czar. The Communists liquidated him. Therefore, what Russia may be doing in Eastern Europe is not by our definition imperialism."

Americans may think this is a silly, hair-splitting exercise in semantics, but a few days later, after another distinguished Indian editor in another city had answered my same questions in almost the same way, I began to realize why many of our propaganda broadcasts and appeals to Asia apparently have so little effect.

Some of the Asian leaders are, like Prime Minister Nehru, pure Aryan in their racial ancestry, but the bulk of the people of Asia, constituting more than half of the total population of the globe, have brown or yellow or black skins, and they are extremely sensitive to what they suspect are white people's assumptions of racial superiority.

They, the peoples of Asia, irrespective of nationality, have many things in common, which we must understand if we are to comprehend why they act and react as they do. Most of them have just recently won their national freedom from European colonial powers, and have what one might call a psychosis on the subject of colonialism and foreign interference.

They all want their dignity as free and sovereign nations respected. They all want to raise their standards of living. They all want peace.

Although President Eisenhower has enormous personal prestige in Asia, largely because of his emphasis on peace at the Geneva summit meeting, Communist propaganda is nevertheless highly effective in presenting the United States as a Nation which wants war in Asia so that Americans can subsequently exploit the Asians.

Whenever we press an Asian country to sign any kind of a military-assistance agreement, or even indirectly try to encourage Asian nations to join such things as the Baghdad Pact, of which Britain rather than the United States is the nominal sponsor, we provide the Communists with rich propaganda material. One important effect is that some of the other Asian neutral countries become suspicious, fantastic as we may know it to be, of our motives.

A few days ago some 7,000 American soldiers, sailors, airmen, and marines descended on Thailand from sea and air to demonstrate

to the Thais in a much ballyhooed operation that the Southeast Asia Treaty Organization has real teeth in it, and is not just "a paper tiger." Undoubtedly we convinced the Thais that American armed might is real, but the fact of highest significance is that no other Asian mainland nation participated in the military maneuvers.

Philippine military forces took part, but all the rest were white non-Asians—Americans, British, Australians, and New Zealanders. Even the Pakistanis, with whom we have a military pact and to whom we have given much military equipment, were conspicuously absent. This was despite the fact that Pakistan is the sole Asian mainland nation other than Thailand which is a member of SEATO.

While we are conducting a military demonstration near Bangkok the Russians continue such things as operating a free medical clinic and hospital at Tehran, Iran. Undoubtedly this clinic is also a center for Communist espionage, but it is an example of how clever the Russians are in dressing up their activities so as to appeal to the Asians, while we, in the minds of the neutralists, appear to be concentrating on preparations for war.

Even Pakistan is beginning to weigh the relative value of its military pact with the United States in comparison with the benefits it might get from Russia and China if it terminated its agreement with us, "went neutral" and signed peace and good will treaties with the Communists.

The Prime Minister of Pakistan volunteered to me a few weeks ago, for example, that he was planning a "good will mission" to China shortly after the conclusion of Secretary of State Dulles' much publicized visit to Karachi next month.

The American position is progressively deteriorating throughout most of Asia. If we want to be realistic, we must recognize that before long we will probably face one of two alternatives:

1. Either the free world must be prepared to accept the loss to the Communist orbit of most of what remains of free Asia, and with it the tin, and tungsten, and, manganese, and other natural resources on which a substantial part of our own national security depends; or

2. We must rapidly adopt a bold, imaginative and appealing policy in Asia.

It seems perfectly clear to me what our policy toward southeast Asia should be. It is to adopt a partnership approach toward the 600 million people in the 10 new countries there which have won their independence since the end of World War II, a partnership in the cause of world peace and freedom. They have much to give. We have much to give.

Those nations, in alphabetical order, are Burma, Cambodia, Ceylon, India, Indonesia, Laos, Pakistan, the Philippines, South Korea, and South Vietnam. Perhaps Iran should also be included in this group. Perhaps Iran should be part of another program for the Middle East area.

Most of these countries are economically and politically extremely weak, but most genuinely want to establish themselves as independent, free, self-sufficient democracies.

The United States, incomparably the strongest and richest democracy in the world, ought to regard it both as a necessity in connection with our own long-term national security and as a tangible affirmation of our own basic philosophical faith to help these struggling nations raise their living standards and maintain their liberties from totalitarianism.

These nations are all children of revolution. So is America. They all want to escape war, stay neutral, and avoid entangling military alliances just as George Washington in his farewell address urged a then weak United States to do.

Should we criticize these politically immature and unstable countries for desiring to remain neutral as between the two colossal power blocs, the Communist world, which abuts many of them on the north, and the free world, consisting primarily of the United States and Britain, plus a part of northwestern Europe, which is thousands of miles away?

Our own country stayed neutral for nearly a century and a half after its creation. We have learned to respect and esteem other nations which also have wished to remain neutral. Sweden and Switzerland are examples.

Instead of criticizing these new southeast Asian countries for their wish for peace through neutrality, we should give them understanding encouragement and financial aid, not solely for reasons of our own national security, but also because of our honest desire to see them succeed as independent democracies, and because of our deep, almost religious, American conviction that all men should be free.

Fortunately, the chance is good that if we act promptly and imaginatively and sympathetically, we can save this vital quarter of the world's population and probably at only a small fraction of the financial cost of our Marshall plan aid to Western Europe.

But Asia is overwhelmingly worth saving even if the cost should prove commensurate with that of the Marshall plan. Our own eventual freedom may be at stake. Nor, in increasing our expenditures for foreign economic aid, should we reduce our expenditures to intensify our own military strength, particularly in the field of scientific research and development.

But those Americans who regard foreign economic aid simply as giveaway programs and glibly profess ambitions to liquidate them, should be wary that in the process they do not liquidate the whole free world.

[From the New York Times of February 26, 1956]

SOVIET POSES A NEW AND GREATER CHALLENGE—STALIN'S STATIC COMMUNISM IS ENDED AS NEW ERA OF DYNAMISM BEGINS

(By Harrison E. Salisbury)

It is too much to say that Moscow has been going through a second revolution in the past 10 days.

But not since 1917 have changes been recorded in Russia that appear to be fraught with greater potential significance—and danger—for the democratic Western World, than those associated with the Communist Party's 20th Congress, just closed.

What happened is this:

The hollow plaster image of the 30-year Stalin epoch has been smashed from its iron pedestal. And from the tremendous dust cloud and drab debris has emerged the glistening outline of a new—and far more threatening—Communist dynamic.

The threat and the danger lie in two major factors: The style of the new Communist dynamic is fresh, self-confident, and original. And the content of the dynamic is pragmatic, supple, and designed deliberately to appeal to many men of varied political convictions, social status, and economic situation.

CHALLENGE TO SPIRIT

Let no one mistake this—the new doctrine and the new course the Moscow leaders have unveiled in the past few days confront the democratic Western World with an awesome challenge.

It is not a challenge that democracy cannot meet, but it is a challenge that will put the West on its mettle and draw upon its material and spiritual resources. And it is going to require thinking and planning and imagination on the part of western leaders.

For here is no mere military challenge—although behind it, Marshal Georgi K. Zhukov affirmed, lies the fast mounting stockpile

of Soviet nuclear weapons, the Soviet development of 1,500-mile ballistic missiles, the glimmering silhouette of Soviet intercontinental jet aircraft.

Of course the Soviet regime has not suddenly reversed the world balance of forces, or cut the Gordian knots of all its basic economic, social, and political problems at one fell swoop. Vast problems lie ahead of the Soviet leadership and the Communist world.

Nothing that was done in Moscow the past 10 days proves that the Communist Party Secretary, Nikita S. Khrushchev, and his comrades have found a solution to Russia's chronic problem of agricultural underproduction.

Nothing that has been done demonstrates that the Soviet Union is going to be able to eliminate the coercions of police power and state-wielded terror.

Nothing that was accomplished by the Communist Congress proved that the Soviet leaders would be able to abolish the kind of intrigue and ambition which led to the rise of Stalin.

ASIAN ARGUMENT

Nor did Moscow's new definition of alternate roads that lead to communism suggest that Russia and Communist China may not, ultimately, fall apart in an argument over who shall be master of Asia.

The Russian leaders did not suddenly acquire the technological know-how to enable them to surpass America's industrial and economic lead.

In all these respects—and a good many others—the United States and its Western allies maintain enormous advantages over Moscow and its allies.

But the decisions and the speeches of Moscow put the Western world on fair warning: Russia is not going to stand still and the free world cannot expect to retain its advantages by a policy of drift and inaction.

The storm signals are up and flying plain for all to see.

The essential thing that has emerged from the addresses of Mr. Khrushchev, Premier Nikolai A. Bulganin, Anastas I. Mikoyan, and the others is that Soviet Russia has broken with the ideological and political clichés of the Stalin regime.

Taking a realistic look at the world around them the Soviet leaders have set full sail on a new course that they confidently anticipate will gain world leadership and, ultimately, a Communist world.

MORE THAN TACTICS

It is easy to shrug off the Communist speeches as just a tactic or a revision of the party line. They are both. But they are considerably more than mere tactics and they reflect a startling Soviet self-confidence.

The theoretical basis for the new course proclaimed in Moscow was in the repudiation of three doctrinal theses, originally proclaimed by Lenin but reduced to a catechism by Stalin.

The repudiated theses were:

1. The inevitability of wars so long as capitalism exists in some countries.
2. The impossibility of establishing communism except by armed revolution and civil war.

3. The existence of "capitalist encirclement" of Russia constituting an ever-present threat to Soviet security.

The new Communist platform declares:

That war is no longer inevitable because of the factual balance of forces between East and West; that there are many routes to communism including parliamentary pathways (a doctrine that sails so close to the Fabian gradualist socialism that the Moscow orators were hard put to show how it differed), and that in place of capitalist encirclement there are now 2 world systems, 1 capitalist, and 1 Communist.

It is the new, free-and-easy interpretation of the Marxist dialectic that enabled

Moscow to restore relations with the heretic regime of Marshal Tito in Belgrade; to find comradeship in the quasi-socialist nationalist movements of India and Burma; to reopen the long-barricaded avenues toward rapprochement with Socialist and left wing movements everywhere.

But these doctrinal changes—revolutionary as they are—are only surface indications of the deep break with the Stalin regime.

SHATTERING OF STALIN

The true drama of the past 10 days has come in the new leadership's treatment of images. Not only has the statue of Stalin been hurled from its fundament, the leaders have danced upon the fragments.

Director of this Bolshevik ceremonial was Mr. Mikoyan, one of Stalin's earliest proteges but now emerging as a man to whom the name and memory of Stalin are as much anathema as that of Leon Trotsky was to the late Generalissimo.

Not only did Mr. Mikoyan speak with open contempt for the economic theses of Stalin; not only did he toss aside the falsified Stalinist history of the Communist movement; not only did he call for rehabilitation of many accused victims of Stalin's purges; not only did he strongly indicate that the absolute anathema on Trotsky himself was to be lifted, Mr. Mikoyan went further.

He went so far that a question could legitimately be asked as to what, if anything, the new leaders propose to preserve of Stalin's reputation.

What Mr. Mikoyan did was to sneer, publicly, at the holiest ikon in the Stalin reliquary—the quasi-religious, semimystic oath to Lenin that Stalin took at Lenin's funeral bier.

Mr. Mikoyan coupled his sneer about those who swear by Lenin with an equally acid reference to one of Lenin's most famous documents—the "will and testament" left as a guidance to the party.

The testament was suppressed by Stalin.

(Lenin spoke of Stalin's hastiness, administrative impulsiveness, spite, rudeness, lack of patience, loyalty and impoliteness and called for his removal as party secretary.)

LENIN'S VOICE

Now, it is apparent, the testament will be published, as well as a wealth of anti-Stalin material written by old Bolsheviks and long concealed in the party archives.

But it is not only to the past—their own past—that the new leaders are looking with hard, fresh eyes. They are looking around themselves at the world with a good deal of the bright and naive wonder of men who have suddenly cast off bandages that shuttered their view for many years.

They do not appear to be frightened by what they see. Thus, an address by Dimitri T. Shepilov, the editor of Pravda and Communist Party secretary, who may be being groomed to replace V. M. Molotov in the Foreign Office, takes a good, hard look at propaganda toward the United States—not in the clichés of Fascist beasts and warmongers, but in terms that would make sense on Madison Avenue.

MALENKOV'S CONTRIBUTION

Thus, when former Premier Georgi M. Malenkov, now Minister of Electric Power Stations, discussed Russia's power situation he cast the body of his address in the form of a discussion of the American power industry that gives some credit to the vision of American electricity magnates.

This new free-wheeling kind of communism once again compels the foreign Communist parties to make a hairpin turn at a high rate of speed. Some of their leaders certainly will be dumped over the precipice.

But by junking most of Stalin's heritage—except the concentration on basic heavy industry and No. 1 priority for defense—the men in the Kremlin have relieved themselves

of a heavy burden and thus made the Soviet challenge to the West more serious. They have gone far in what from a moral standpoint has been their prime task—to restore to communism some of the viability and dynamism it lost in the long years of Stalinism.

[From the New York Times of February 26, 1956]

RUSSIANS ARE SCORING IN ASIAN PROPAGANDA—THEIR TALK OF AID WITHOUT STRINGS HAS APPEAL IN FORMER COLONIAL AREAS THERE AND IN AFRICA—ERRORS OF UNITED STATES DIPLOMACY

(By Thomas J. Hamilton)

Although the democratic cause has lost ground almost everywhere in the last few months, the Soviet Union's new psychological economic offensive has inflicted particularly heavy losses in Asia. John Sherman Cooper, United States Ambassador in New Delhi, India, has fought valiantly, but he has had to concede that relations between the United States and India are deteriorating.

Paul Hoffman and John Cowles are even more pessimistic about the position of the United States throughout South Asia. Both are urging large increases in our program of economic assistance, and Mr. Cowles in fact wants the United States to lend India \$1 billion in the next 5 years without taking into account whatever is needed in the rest of Asia.

A billion dollars is, of course, a lot of money. But it is small in comparison with the billions that the United States spent on the Marshall plan. Official figures show, in fact, that since the war, and including contributions to international relief organizations as well as loans and grants to individual countries, the United States has provided \$55 billion in foreign economic assistance.

RECOVERIES MADE

Thanks in large part to the help that both friend and foe received from the United States, the war-devastated countries have made excellent recoveries. There is no longer much danger that they will go Communist; if France or Italy should do so now, it would be because they had lost the art of governing themselves, not because they are poor.

The United States is now confronted with a different problem, the demand of the underdeveloped countries for help in raising their standards of living.

If this were still the age of Victoria, the countries making such demands would be promptly sent about their business. They would be told that they had a choice between saving their money, so that they could pay for their own development, or of allowing American or European investors to do it for them—of course at a suitable rate of return.

The underdeveloped countries, whether they are in Asia or Africa or Latin America, are in no mood to accept such an answer. Their very low per capita income makes it difficult, if not impossible, for them to pay for hydroelectric projects, or factories, or malaria control out of savings. And the few countries that are still willing to allow private investors from the outside to step in are very reluctant to permit the dividends necessary to attract risk capital.

This situation, together with the fact that the meeting between President Eisenhower and Marshal Nikolai A. Bulganin allayed many fears of Soviet aggression, was made to order for the resourceful men who succeeded Stalin.

They had already reversed his refusal to give anybody anything and had contributed to the United Nations technical assistance program; now they have offered economic assistance to India, Burma, Indonesia, Iran,

and Afghanistan, to Egypt, Syria, Saudi Arabia, and Lebanon, to Liberia, to all of Latin America.

BARTER ACCEPTED

In most instances it has turned out that this help was to be in the form of a loan or trade. But since the Soviet Union was willing to accept payment in Egyptian cotton or Burmese rice, which the owners had not been able to sell elsewhere, this created no difficulties; the countries concerned said that they would rather pay in this way than accept the strings they feel are tied around the gifts proffered by the United States.

The Soviet economic program has been backed up by a propaganda campaign emphasizing the solidarity of the Soviet Union with the Asian and African countries and demanding the end of colonialism. Asian friends of the United States, in particular Generalissimo Chiang Kai-shek and Dr. Syngman Rhee, are assailed as imperialist lackeys, and America's responsibility for keeping Communist China out of the United Nations is adduced as the final proof that the United States is on the side of colonialism.

Most damaging of all are the claims that the Soviet Union wants to do away with the atomic bomb, the United States wants to keep it; the Soviet Union is not trying to compel anybody to join anything, the United States will not rest until it has forced the whole world to join an anti-Soviet alliance; the Soviet Union wants peace, the United States wants war.

THE INDIAN VIEW

Public opinion polls in India show an amazing number of persons who believe that it is the United States that threatens peace; the number who hold the Soviet Union guilty is extremely small—so small that Nikita S. Khrushchev, in his speech at the 20th Communist Party Congress, made a special appeal to the leading neutralist countries—India, Burma, Afghanistan, Egypt and Syria. The emergence of the Soviet Union as a champion of the Arab countries against Israel, including the sale of Czechoslovak planes to Egypt, is part of this pattern.

As anybody will testify who has spent an afternoon in the delegates' lounge of the United Nations, this propaganda has made headway not only in these countries, but in other Asian and African nations. It has been assisted by a series of errors in United States policy statements: outstanding are Secretary of State Dulles' reference to Goa as a Portuguese province and his brink of war claim, the confusion over the Saudi Arabian tanks, and the confusion about the Air Force balloons.

AID IMITATED

Since imitation is the sincerest form of flattery, the United States now knows how well its program of economic aid has served the cause of freedom. However, its usefulness has been greatly diminished by the conditions attached to the assistance.

The Soviet Government has much more leeway. Furthermore, although the Soviet Union makes quite sure that its good works take the tangible form of a steel mill, many United States donations have been hard to identify, or have been commingled with projects locally financed. Needless to say, United States farm surpluses are so mountainous that, while we can give away help, we cannot allow anybody to pay for it with rice or cotton.

For all these reasons, a reappraisal is in order of the methods that the United States has used to combat Soviet subversion.

MR. MANSFIELD. Mr. President, will the Senator yield?

MR. FULBRIGHT. I yield.

MR. MANSFIELD. I commend the Senator from Arkansas for laying the facts of life as they are on the table for the Senate and the American people to

see. I am glad the Senator has seen fit to make his speech this afternoon, because I have been disturbed by the testimony given on last Friday, which seemed to indicate, so far as our relationship vis-a-vis the Soviet Union is concerned, that we are on top and the Soviet Union is in retreat.

The Senator from Arkansas has quite graphically pointed out that in south central Asia, Bulganin and Khrushchev have made great gains; that in the Near East they have leap-frogged the wall of containment; that in Africa, Western Europe, South America, and elsewhere they are on the march.

I think the record will bear out the Senator that since just before the Geneva Conference, the summit meeting of last July, the Soviet Union has been on the diplomatic and economic offensive; and I am afraid, on the basis of recent evidence in the field of air and guided missiles, they not only are on the march, but are ahead of us, as well.

The Senator from Arkansas is to be commended for laying the facts on the table. I sincerely hope the Senate, Congress, and the American people will take cognizance of what the Senator from Arkansas has said this afternoon.

MR. FULBRIGHT. I appreciate the remarks by the Senator from Montana, especially because there is no Member of the Senate or, for that matter, no one in the country who has given more serious and persistent attention to conditions in southeast Asia, and who knows more about the real conditions which exist in our foreign relations, than the Senator from Montana.

MR. MORSE. Mr. President, will the Senator yield?

MR. FULBRIGHT. I yield.

MR. MORSE. Mr. President, I wish to commend the Senator from Arkansas for the speech he has made on American foreign policy. It is a speech which I hope will be treated as the opening of a historic debate on that subject. In that debate every single facet of our foreign policy will be laid before the American people, because they are entitled to know what is taking place in that field. They are entitled to have the administration disclose to them the facts about American foreign policy.

This afternoon the Senator from Arkansas has made a great contribution to the debate. As he knows, I feel that the greatest issue which faces the United States in the field of foreign policy is as to public disclosure. The administration has been keeping secret from the American people a great many things which they are entitled to know. It is the American people who will die, and will die by the millions, if Dulles stumbles off the brink. I have no confidence in his equilibrium or footing. I am satisfied that if the American people do not put a check on Mr. Dulles, if we do not combat the kind of philosophy which he expressed at the hearing last Friday, he will lead us off the brink.

I commend the Senator from Arkansas. So far as the Senator from Oregon is concerned, I intend to discuss foreign policy in the months ahead. So far as I am concerned, there is not going to be

any facet of the subject which will not be subject to debate.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I listened to the remarks of the Senator from Arkansas, I listened to the Secretary of State on last Friday during the hearings, and I read his speech yesterday. I did not understand in any of his statements on Friday or yesterday that he said he would not reassess or constantly renew and invigorate American foreign policy. I would say further that I would take his statement made on Friday and again on yesterday as being perhaps optimistic—perhaps too optimistic—but certainly we cannot proceed on a basis of great pessimism. I see nothing that could be interpreted as intentional misrepresentation of any facts. The statement was one, rather, of optimism and faith, of constantly looking toward how the policy could be reassessed and improved, but not remain static. That is the impression I received from the hearing of last Friday. That is the way I read his statement of yesterday.

Mr. FULBRIGHT. Surely the Senator from Massachusetts will not deny—for the record is very clear—that I remarked during the course of my questioning of the Secretary on Friday that, unfortunately, the Russians appeared to be making progress in the Middle East. The Secretary of State categorically denied that. He said absolutely they were not making progress at all. I believe he used the precise words "absolutely not." He said further that these changes in Russia's policy, which most of us have interpreted as a refinement, not a change, in policy, are an indication of weakness.

It is true that in this field there is bound to be some difference of opinion, but I submit to the Senator, the Secretary of State, who is supposed to be most familiar with matters in this field, is the only one, so far as I have noted, among commentators or public men, who has interpreted Russia's moves in that way.

I think one has to reach his own conclusion as to why the Secretary of State takes this attitude. I shall not enlarge upon that. I have already stated how I feel about it. But I must add it is not a question of being pessimistic or optimistic; it is a question of trying to assess the situation as it really is. For example, I cannot help but feel that the Senator from Massachusetts is disturbed about the situation in the Middle East, and that he believes the Russians have made great progress in that area in the last year. Specifically, Russia's dealings with Egypt and her offer of arms to other countries in the area of the Middle East, and the acceptance of such arms by those people, certainly have been unprecedented in modern times.

Mr. SPARKMAN. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield to the Senator from Alabama.

Mr. SPARKMAN. I wish to commend the distinguished Senator from Arkansas for his realistic discussion of this situation.

I think that is exactly what it is. If I understand correctly the message of the Senator from Arkansas, it is that we ought to review these matters realistically, neither optimistically nor pessimistically, but as they actually exist.

Does the Senator know of any service which can be rendered the American people by overplaying optimism, as the Senator from Massachusetts has described it, in the way in which the Secretary of State did on last Friday and on other occasions?

Mr. FULBRIGHT. I will say to the Senator from Alabama that I know that on other occasions, including executive sessions of the Committee on Foreign Relations, the Secretary of State has minimized the seriousness of some of the acute international problems. The Senator from Alabama has asked whether a service is rendered by such optimism. To the contrary, if the Secretary of State is overly optimistic, I think it is definitely a disservice, for we are then not able to exercise properly our functions in the Senate. The Senator from Alabama and I give the best attention we can to these matters, but we are limited in our sources of information. We are very reluctant under the circumstances to take issue with the Secretary of State, on a matter of fact. But when everything we know and everything we read about our international relations is contrary to what the Secretary of State told us in the meeting last Friday, it is time to speak out and demand that he justify such optimism. I do not think he can support it. But the harm is done when people hear or read his assertion that conditions are better and that we are on the march, and the Russians have failed. People wish to believe that all is well in the world. If they are encouraged to believe it by the Secretary of State, our function as a Senate is made difficult, because we have to be supported by enlightened public opinion.

Mr. SPARKMAN. Even though people like to believe optimistic statements, does not the Senator think they also would want to accept the proof and that they ought to be correctly advised as to what the true situation is at all times?

Mr. FULBRIGHT. I certainly do. Because people like to hear such optimistic reports, it makes it very dangerous. We have to be careful not to be overly optimistic. From the standpoint of national security, it is safer to be pessimistic than to be overly optimistic. It is natural for people to believe we excel not only in this field, but in other fields as well. So there is an obligation on the part of the Secretary not to paint an unjustifiably rosy picture. To do so endangers the very foundations of our national security.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. ANDERSON. Mr. President, I call up my amendment, designated as "2-22-56-0."

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The amendment

offered by Mr. ANDERSON for himself and other Senators will be stated.

The LEGISLATIVE CLERK. On page 1, beginning with line 6, it is proposed to strike out through line 2 on page 2, as follows:

PRICE SUPPORT LEVELS—BASIC COMMODITIES

SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"(6) except as provided in section 402, the level of support to cooperators shall be 90 percent of the parity price for the 1956 and 1957 crops of any basic agricultural commodity other than wheat if producers have not disapproved marketing quotas therefor."

Mr. ANDERSON. Mr. President, I call up my amendment for the purpose of making the question of 90-percent support prices the pending business.

I desire also to ask unanimous consent that there be added to the list of cosponsors the name of the distinguished Senator from Mississippi [Mr. EASTLAND].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EASTLAND. Mr. President—

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. ANDERSON. Mr. President, there is an amendment which also pertains to minimum acreages on cotton. Because we have had a discussion of that subject previously, I ask unanimous consent that I may insert in the RECORD at this point the estimated 1957 State allocations of national 1 percent reserve for additional acreage for minimum farm allotments pursuant to Senate bill 3183.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated 1957 State allocations of national 1-percent reserve for additional acreage for minimum farm allotments pursuant to S. 3183

State	State allocation from national reserve ¹	State contribution to national reserve ²
Alabama.....	27,900	10,252
Arizona.....	200	3,436
Arkansas.....	9,900	14,245
California.....	1,000	7,824
Florida.....	3,400	370
Georgia.....	18,100	9,032
Illinois.....	100	31
Kansas.....	0	0
Kentucky.....	300	78
Louisiana.....	8,500	6,109
Mississippi.....	21,400	16,466
Missouri.....	2,300	3,781
Nevada.....	0	23
New Mexico.....	500	1,794
North Carolina.....	20,400	4,839
Oklahoma.....	6,600	8,456
South Carolina.....	13,900	7,262
Tennessee.....	17,200	5,635
Texas.....	20,400	74,109
Virginia.....	1,900	171
United States.....	174,000	173,913

¹ Estimates based on additional acreage needs developed for similar purposes in connection with 1956 acreage allotments on the assumption of (1) apportioning 100 percent of county allotments to farms and increasing farm allotments to the larger of 4 acres or 80 percent of the highest planted acreage for the 3 years 1953, 1954, and 1955, and (2) a 1957 national acreage allotment of 17.4 million acres, or the same on the 1956 national acreage allotment.

² 1 percent of the 1956 State acreage allotment. The 1956 allotments used here for purposes of comparison, since 1957 State allotments have not been determined.

Mr. AIKEN. Mr. President, will the Senator from Mississippi yield for a parliamentary inquiry?

Mr. EASTLAND. I yield.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. I ask the Chair if the amendment just offered by the Senator from New Mexico is the pending question now before the Senate.

The PRESIDING OFFICER. That is correct. That is the pending question.

Mr. SALTONSTALL. Mr. President, will the Senator from Mississippi yield so that I may make a statement?

Mr. EASTLAND. Mr. President, I ask unanimous consent to yield to the distinguished Senator from Massachusetts, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

STATEMENT ON 50-50 LAW—CARGO PREFERENCE ACT

Mr. SALTONSTALL. I thank the Senator from Mississippi.

Mr. President, I should like to bring briefly to the attention of the Senate an action recently taken by the Senate Committee on Agriculture and Forestry which I believe may well have grave consequences for our Nation, particularly as respects our merchant marine, but equally as it affects both our program of agricultural surplus disposal and, ultimately, our national defense.

I refer specifically to the action of the committee in approving in section 307 of S. 3183, the Agricultural Act of 1956, the exemption of the 50-50 cargo preference provisions of the act of March 26, 1934—Forty-eighth Statute at Large, page 500—as amended by the act of June 29, 1936—Forty-ninth Statute, page 1937, and the act of August 26, 1954—Sixty-eighth Statute, page 832.

By action of the committee, these acts are declared not to apply to transactions under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended. In other words, the fair and equal treatment represented by the 50-50 shipping law—Public Law 664, August 26, 1954—is being destroyed, and we are left to conclude that the committee has overlooked the advantages—no, the necessities—of that measure which equally divides the transport of farm surplus cargoes between American and foreign ships.

It has been clear to the Congress for many years, as demonstrated by consistent congressional action in the past, that, if we were ever to be without a strong American merchant marine, foreign maritime powers would be in a position to carry out goods at times and from ports of their own choosing and at whatever prices the American traffic could be forced to bear. The very existence of a United States flag fleet is our protection against a situation which would permit such arbitrary and costly action.

Mr. BUTLER. Mr. President, will the Senator from Massachusetts yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Maryland?

Mr. SALTONSTALL. Mr. President, I do not have the floor; the Senator from

Mississippi [Mr. EASTLAND] has yielded to me.

Mr. AIKEN. Mr. President, I ask unanimous consent that the Senator from Massachusetts may be permitted to yield to the Senator from Maryland, provided he does not yield for too long.

Mr. SALTONSTALL. Mr. President, I do not wish to break my agreement with the Senator from Mississippi. I told him the number of minutes I would speak. However, I am glad to yield briefly to the Senator from Maryland, for a question.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUTLER. Mr. President, does the Senator from Massachusetts know that this matter came up before the Committee on Agriculture and Forestry, and that section 307 was inserted in the bill without holding any hearings, after the chairman of the committee had promised the American Legion, the Veterans of Foreign Wars, and other groups interested in the American merchant marine that hearings would be held before any action was taken?

Mr. SALTONSTALL. I knew there had not been any hearings; and later in my remarks I shall point out that I believe this matter should be heard before the proper committee as a separate matter, and not included in the agricultural bill.

Mr. BUTLER. Does the Senator from Massachusetts also know that the difference between the world price per ton and the American price per ton is only approximately 25 cents?

Mr. SALTONSTALL. I am glad to have the Senator from Maryland tell me that; I did not know it.

Mr. BUTLER. And that we now carry in American bottoms only approximately 22 percent of our total commerce. So the 50-50 cargoes could make very little difference, in dollars and cents.

Mr. SALTONSTALL. I thank the Senator from Maryland for that information.

A healthy American merchant marine insures stability both of rate and of service, and the merest glance over our history reveals painfully clearly that when we have been without an adequate merchant fleet—invariably at times when we needed it most—the consequences for America have been immediate and painful, both economically and as regards our national defense. Economically, we have always paid for such neglect in skyrocketing freight rates, or in goods piling up in our warehouses and on the docks because they could not be shipped at the prices demanded.

Public Law 664, the Cargo Preference Act, more familiarly known as the 50-50 Law, is one of the pieces of legislation which contribute to the strength, the health, and the effectiveness of our merchant marine, with consequent widespread benefits for our Nation as a whole. This is one of the simplest pieces of legislation on our books. It provides merely that at least half of all overseas cargo owned by our Government and paid for by American taxpayers shall be carried in United States merchant ships, provided they are available at reasonable rates. On nine separate occasions since 1948,

Congress has written this 50-50 provision into various aid programs. The Cargo Preference Act of itself made it unnecessary to repeat that procedure each time a similar program was authorized.

The Cargo Preference Act, as fair and equitable a piece of legislation as can be recalled, has done several worthwhile things:

First. It has expressed the will of the Congress that narrowly conceived, unrealistic demands that all farm surplus cargoes be moved in United States ships manned by American seamen be rejected as impractical and definitely not in our country's best interest.

Second. It recognizes the two-way character of foreign trade, by assuring that foreign nations shall be permitted to earn dollars by carrying part of our exports and imports.

Third. By a judicious and sensible recognition of the purposes and provisions of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, in effect made full and equal partners of American agriculture and the American merchant marine in the most extensive and soundly progressive program of world rehabilitation and international good will that history has ever seen.

The impression is being created by foreign maritime interests that our burdensome farm surpluses will not be purchased abroad unless and until the 50-50 law is abandoned. They have established as their first beachhead in this attack title I of Public Law 480, which we know more familiarly as the Agricultural Trade Development and Assistance Act. Under this title food surpluses in excess of normal exports may be sold overseas for foreign currencies. The 50-50 principle embodied in the Cargo Preference Act applies to cargoes that move under this program, just as it does to all cargoes financed by our Federal Government.

It is easy to understand, of course, why any thoughtful farmer or farm organization head is concerned whenever there is the slightest suggestion that anything whatever may be permitted to impede our farm surplus disposal efforts.

It is reasonable, therefore, that charges from overseas to the effect that the 50-50 law has slowed down such shipments of surpluses under title I should be thoroughly explored.

Such an exploration of the facts, however, proves clearly that these charges are debatable, and that our surplus disposal program, in all of its aspects, is making encouraging and continuing progress. Two-thirds of the \$700 million authorized for surplus disposal under the 3-year, Public Law 480 program was exhausted in its first year, and the authorization had to be doubled to \$1.5 billion. The latest report from the Department of Agriculture shows that 33 agreements have been completed with 22 countries for the disposal of \$769 million worth of surpluses, or more than 50 percent of the 3-year authorization under title I of the act.

All in all, since disposal operations began 18 months ago, the United States has programed the disposal of \$1,692,000,000 worth of food surpluses under this act and other authorizations.

It would be an extremely dangerous precedent for the United States to abandon its 50-50 cargo preference policy merely on the basis of the application of pressure relative to the disposal of our surplus agricultural commodities. If for this particular purpose we permit a foot to be placed in the door, we shall be opening the door wide to subsequent elimination of this fair and equal provision for all purposes. The danger to our merchant marine and to our economy present in any such move is clear and great.

Moreover, this is not even good business. No reputable company, for instance, would permit an isolated group of potential customers to dictate its regular sales policies and to interfere with its internal management.

Mr. BUTLER. Mr. President, will the Senator from Massachusetts yield to me at this point?

Mr. SALTONSTALL. The Senator from Mississippi [Mr. EASTLAND] has the floor. Let me ask whether he is willing to have me yield for a question.

Mr. EASTLAND. Yes.

Mr. SALTONSTALL. Very well; I yield for a question.

Mr. BUTLER. Is not the correctness of the statement the Senator from Massachusetts has just made indicated by the fact that the cargo preference law applies only to Government-owned and Government-financed cargoes, and that American ships need not be used unless they can be obtained at a reasonable price?

Mr. SALTONSTALL. That is true, although I am not sure about the correctness of the Senator's statement in regard to "reasonable price."

Mr. BUTLER. I mean if they are available at the going price.

Mr. SALTONSTALL. That is correct.

The foreign maritime interests to which I refer, and about whom there is no secret whatever, have swelled opposition to the 50-50 law far out of fair and reasonable proportion. Understandably, foreign shipowners want more business, and it is apparent that, by placing a heavy hand in this way upon our sensitive surplus-disposal program, they hope to destroy the 50-50 principle, not merely for their immediate purpose, but permanently. If they succeed in this, the effect upon the American merchant marine may well prove disastrous.

Mr. MAGNUSON. Mr. President, will the Senator from Massachusetts yield at this point?

Mr. SALTONSTALL. The Senator from Mississippi [Mr. EASTLAND] has the floor.

Mr. MAGNUSON. The Senator from Mississippi is willing to have the Senator from Massachusetts yield to me at this time.

Mr. SALTONSTALL. Very well; then I yield for a question.

Mr. MAGNUSON. Is it not true that foreign-flag ships now carry almost 80 percent of our cargoes, and that in this case we are dealing with only the remaining 20 percent?

Mr. SALTONSTALL. I believe that is true.

Mr. MAGNUSON. Yes; those are the facts.

Mr. BUTLER. I believe the figures are approximately 22 percent and 78 percent.

Mr. MAGNUSON. Approximately that; yes.

Mr. SALTONSTALL. Mr. President, elimination of the 50-50 principle now and in the future would place us at the mercy of foreign maritime interests economically and as regards our ultimate national security. I am reluctant to suggest that any such dominance of world trade routes by foreign shipping could mean the withering away of the American merchant marine. This would not only be fatal to America economically, but it would put us in the thoroughly untenable position of dependence upon the ships and shipping facilities of friendly nations in time of war, a dependence which might well—despite their desire to join in the common defense—leave America high and dry, without having any ships or shipping facilities available anywhere.

The solution, therefore, seems to me to be a specific one. I know that in opposing the committee's action in writing section 307 into S. 3183, I am expressing not only the unanimous opinion of our people in Massachusetts and the people in many another maritime State, as well, but also that of such respected and farflung organizations as the National Grange, the United States Chamber of Commerce, the National Foreign Trade Council, the National Industrial Traffic League, and the Pacific Supply Cooperative—the latter an organization which represents 70,000 farmers in Oregon, Washington, Idaho, and northern California. I have checked on that matter, Mr. President; and I believe that statement to be accurate. To all of us it is clear that the 50-50 provision and surplus disposal are not incompatible in any way.

Let me emphasize that Public Law 430 and this 50-50 principle represent a sound American program, one of basic and continuing interest and value to our farmers, to maritime labor and management, and as regards our Nation's total defense. Moreover, it represents, as its popular title "50-50" suggests, a solution of a real and continuing problem that is fair and equitable to us and to our friends abroad.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. Yes; if the Senator from Mississippi is willing to have me do so.

Mr. EASTLAND. Yes.

Mr. SALTONSTALL. Then I yield to the Senator from Oregon for a question.

Mr. MORSE. Am I correct in my understanding that in the actual practice of the 50-50 formula, when American shipping interests cannot actually provide the ships with which to meet the immediate shipping need, then it is possible for the goods to be transported in foreign bottoms? In other words, I recall that last year the Senator from Washington joined me in taking action to make it possible for the apple growers

in the Northwest to sell some apples to England and, I believe, to one of the countries on the Continent of Europe. However, there simply were not available enough American refrigerator ships to transport the apples, but some foreign refrigerator ships which could transport them were available. We took the matter up with the State Department, and, as I recall, they followed the policy of making an exception to the 50-50 formula. It is only when American bottoms cannot be supplied that the formula applies.

Mr. SALTONSTALL. The Senator from Oregon is entirely correct. First, the cargo must be Government property or Government-financed property. Second, the ships and space must be available.

This, then, is the problem, Mr. President. By way of solution I should like to offer certain specific suggestions which I hope may prove of help.

First, may I say that I am reliably informed that no hearings were held by the committee on section 307. This in itself gives me some concern, inasmuch as the House Merchant Marine and Fisheries Committee has for some time now been giving detailed and comprehensive attention to the Cargo Preference Act.

I am told that several witnesses have been heard on the subject and that these have included representatives of the Federal Government, Farm Bureau, and National Grange spokesmen, representatives of American maritime management and labor, and representatives of foreign maritime interests as well.

I am informed finally that most of these witnesses have expressed an overwhelming support of the 50-50 principle and that few voices indeed have been raised in opposition to it. I think we can all agree that with a measure of such moment, we should certainly be concerned that full and adequate hearings be held by the Senate Committee on Agriculture and Forestry or—we might well decide—by the Senate Committee on Interstate and Foreign Commerce, inasmuch as this section 307 would appear to be more appropriately a transportation measure than one of agricultural surplus disposal alone.

Secondly, we are all aware I am sure of the scope and significance of S. 3183 for every American. We are aware too of the honest but strong differences of opinion that have already arisen regarding major provisions in this bill. I refer of course to the question of price supports and that of the soil-bank plan.

Given such differences of opinion on major provisions of this bill and the importance of resolving such differences without complicating them further by other controversial matters, may I suggest that section 307 be deleted from S. 3183 and that it be considered separately and on its merits. There is a bill now pending to do just this—S. 2584.

Finally, Mr. President, though it may appear to be repetitious, I want very much to emphasize the fact that this Cargo Preference Act, embodying the 50-50 principle as it does, is a measure of interest not only to agriculture, not alone to the American merchant marine,

not merely to management and to labor in those businesses and industries dependent upon foreign trade and markets abroad, not only to those thousands upon thousands of persons employed in these and related activities, but to all of them together, since all benefit from or suffer from any action we take on a major economic measure of this kind. Equally, our national security is affected by our maintenance or our rejection of this 50-50 principle, representing as it does a major factor in the health and well-being of our merchant marine, which has been often but very truly called our "fourth arm of defense."

In the interest of our national economic health, therefore, and in the interest of our national security in time of emergency, I recommend strongly, Mr. President, that section 307 be deleted from S. 3183, but, in order that the principle to which it refers may be given due and full consideration, that S. 2584 be carefully considered by the proper committee.

Any further obstruction to our Nation's maritime progress and development may have costly repercussions for us economically and, perhaps, militarily. Anything that weakens our merchant marine weakens America now and in time to come.

Mr. MAGNUSON. Mr. President, will the Senator yield for one question?

Mr. SALTONSTALL. I yield, with the permission of the Senator from Mississippi.

Mr. EASTLAND. The Senator may yield.

Mr. MAGNUSON. As the Senator from Massachusetts and the Senator from Maryland know, I expect to suggest an amendment designed to take section 307 from the bill, and to bring it before our maritime subcommittee for hearings, so that everyone will have an opportunity to be heard. I am hopeful that the Committee on Agriculture and Forestry will agree to that course. I assure the members of that committee here and now that we will hold such hearings and will consider modifications, so that the difficulty can be entirely cleared up. I am sure the hearings will develop that this section is not really important to the agricultural bill. It is of vital importance to the merchant marine. I think we can arrive at an adjustment under which neither of these two great segments of our economy will be injured.

Mr. SALTONSTALL. I am glad to hear the Senator from Washington say that. I purposely did not mention the name of the committee specifically, because I did not wish to become involved in any possible dispute between two committees. Members of the Committee on Agriculture and Forestry, whose distinguished chairman is present in the Chamber, have been very fair about this question. We have informally discussed it, as the Senator from Maryland knows. I am hopeful that we shall be able to reach an agreement along the lines suggested.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BUTLER. In 1954, when this act was first passed by the Congress, very extensive hearings were held before the Committee on Interstate and Foreign Commerce. Of course, I have no objection whatsoever to further consideration of this legislation. I am confident that the result of such further consideration will be a reaffirmation of the 50-50 principle. However, I think it is absolutely essential that section 307 be stricken from the agricultural bill at this time. If that is not done, I think I can predict that it will require the transfer to foreign flags of the majority of our tramp fleet, if not the entire tramp fleet. We cannot operate American ships without cargo, and we cannot get cargo in the absence of the 50-50 principle. I think it would be a dreadful thing to force the transfer to foreign flags of American vessels, and put American labor on the beaches, thus forcing us to depend almost entirely on foreign bottoms for the carriage of our foreign commerce, merely to ameliorate to some small extent an irritation, at the most, which now exists.

In view of the provisions of the act, that American ships do not have to be used unless they are readily available at the going prices, and the fact that the act applies only to Government-owned cargo or Government-financed cargo, I think it is reasonable in every respect. I believe it would be a great mistake to lessen the effectiveness of that law without a hearing of the fullest character.

Mr. SALTONSTALL. We cannot keep the American merchant marine in mothballs. In the first place, the ships deteriorate; and, second, we lose the crews. So we must have cargoes.

Mr. BUTLER. Let me make one further observation. I think it is the wish of our foreign friends that we keep our ships in mothballs. They will readily acknowledge the necessity of an American merchant marine. They will admit privately that without a strong American merchant marine they could not have survived in World War II, but they say that we should build our ships and subsidize them, and then tie them up and not use them. I say that is not the way for America to transact its business, especially when the cargoes which we are seeking to have carried in American bottoms are cargoes which the people of America have bought and paid for, to a greater or lesser extent. If we are to be kind and generous and make these gifts abroad, I think it is only reasonable to insist that we are entitled to carry at least half of the cargoes.

Mr. SALTONSTALL. I thank the Senator from Maryland for his contribution; and I appreciate the courtesy of the Senator from Mississippi [Mr. EASTLAND].

Mr. BUTLER. I thank the Senator from Mississippi for his courtesy.

PROPOSED UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I wish to announce that with respect to the pending agricultural bill the leadership is presently considering a unanimous-consent agreement which

would become effective on Monday, March 5. The agreement, if entered into by the Senate, would provide 2 hours of debate on any amendment or motion, the time to be divided equally and controlled by the mover of such amendment or motion and the majority leader, and would provide 4 hours of debate on the bill.

It is evident that it will be impossible to obtain a unanimous-consent agreement on the unfinished business so as to vote on the bill this week; but it is hoped that by tomorrow or the following day it will be possible to obtain the unanimous consent of the Senate to proceed to a vote on Monday next, in which event it will be the plan of the leadership to ask the Senate to convene at 11 o'clock in the morning.

I make the announcement so that all Senators may be informed of the prospects of securing a unanimous-consent agreement.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. Does the Senator's statement mean there will not be any voting of any kind on the unfinished business this week?

Mr. JOHNSON of Texas. No; it does not mean that. A vote can be had at any time the Senate is prepared to vote.

A unanimous-consent agreement has not been entered into. Such proposal has not been agreed to, for instance, by the distinguished minority leader. But we are pursuing our conversations toward securing such an agreement, in the hope that it will be possible to have the Senate agree to it. In the event the agreement should be entered into, it is unlikely that any voting will take place this week. However, I cannot give any assurance and the Senate cannot give any assurance on that score.

Mr. ELLENDER. Would there be any voting before Monday? I have been asked that question several times by various Senators, who would like to receive assurance that if the Senate is to begin to vote on Monday, there will not be any voting on amendments in the meantime.

Mr. JOHNSON of Texas. I would be delighted to join with the Senator from Louisiana, and the Senator from Vermont, and other Senators in an effort to protect Senators who may not be here; but unless we can constitute a majority, we can never give such assurance.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. AIKEN. I have taken up with some of my colleagues the question of the proposed unanimous-consent agreement. I have yet to find any objection to the proposal of setting the date to begin voting as Monday next. The 2-hour limitation on each amendment appears to be acceptable. The proposal of 4 hours of debate on the bill itself also seems to be acceptable, and the method of controlling the time seems to be agreeable to everyone.

However, there is some question about the proposal that when the action on the bill has finally been completed by the Senate, the Senate should then proceed

to consider House bill 12, and that the language of the Senate bill should be substituted for the language of the House bill. I think perhaps that is simply a matter of some Senators not having made up their minds as to what they might wish to do in that respect; and therefore, they will not agree at this time to the proposed unanimous-consent agreement.

Mr. JOHNSON of Texas. I have no deep feeling one way or the other. I shall be glad to be guided by the judgment of the Senator from Louisiana and the Senator from Vermont. I hope they will carry on their negotiations, and will reach a satisfactory solution.

Mr. AIKEN. Apparently some Members of the House feel that if the language of the Senate bill were substituted for the language of the House bill, H. R. 12, then only the House members of the committee of conference would have an opportunity to consider the soil bank and certain other provisions which have been placed in the Senate bill. However, the reluctance at this time to enter into an agreement does not mean that there will not be eventually full agreement.

Mr. JOHNSON of Texas. I have no intention even to propose the agreement today. I merely want each Senator to be on notice of the intention of the leadership to propose the agreement tomorrow. At that time Senators can raise such questions as the Senator from Vermont has just raised.

Mr. AIKEN. I think it is highly advisable in the interest of time that voting on the amendments and on the bill itself, under the limitation of time in an agreement, should take place.

Mr. JOHNSON of Texas. The proposed unanimous-consent agreement will be offered to the Senate tomorrow. The majority leader has no preference concerning the second page of the agreement. Whatever is agreed upon by the Senator from Vermont and the Senator from Louisiana will be satisfactory to the majority leader.

Mr. AIKEN. That will give us more time in which to consult.

Mr. ELLENDER. I may state to the Senator from Vermont that I discussed with the Parliamentarian this morning the matter of substituting the Senate language for the language in the House bill. The Parliamentarian thought that one of the simplest ways to handle the matter would be to pass the Senate bill, and as soon as that was done, to have the Senate proceed to consider the House bill, and to substitute the language of the Senate bill for the language of the House bill.

Mr. JOHNSON of Texas. I thank the Senator from Louisiana and the Senator from Vermont.

Mr. EASTLAND. Mr. President, farm prosperity is basic to American prosperity. In seeking to make agriculture prosperous we promote the prosperity of every segment of the American people. Our country cannot be strong unless its basic industry is strong and prosperous. The question before the Senate is, Shall we pursue the course which will return the greatest net income to the farmer?

Mr. President, we cannot pull the rug from under the cotton farmer. We must take the steps which will be necessary to make him prosperous and which will result in a strong cotton-growing economy. I shall discuss these principles as they apply to the American cotton farmer. In this light I shall discuss the pending amendment, which would strike from the bill the provisions for mandatory 90 percent support prices for the years 1956 and 1957.

Consideration of price alone does not constitute a farm program. Because our policies have been based solely on price the cotton farmer is now in depression. The pending bill, without the 2 year mandatory 90 percent support price provision and with the administrative steps which will be taken, will, in my judgment, greatly benefit the cotton grower. In fact, it will save the cotton growing industry of the United States has all but collapsed because cotton has been made noncompetitive, and markets which heretofore have been enjoyed by the American cotton farmer have been taken over by those who produce its competitors, rayon, other synthetic fibers, and by foreign cotton producers.

In the beginning I shall describe in general terms the deplorable conditions in which the American cotton growing industry finds itself. A prosperous cotton growing economy must be based upon two factors. First, the consumption of more than 9 million bales of cotton domestically, and exports of around 6 million bales. To sustain a prosperous economy it will take an acreage large enough to produce 15 million bales of cotton which can be sold at prosperous prices. Our country has historically exported 6 million bales of cotton, and has in the past dominated the world export cotton business. Because we dominated it we could fix the world price of cotton. Our exports in the past years normally averaged 60 percent of the foreign cotton export market. This shrank last year to 29 percent of this foreign cotton market, and is now running, in 1956, at less than 20 percent. In fact, we have only exported around 800,000 bales of cotton since last August 1. It now appears that our exports this year will be the lowest in 100 years except during the Civil War, World War II, and their aftermaths. Our exports now should easily be in excess of 3 million bales for the current marketing year.

On the domestic scene, rayon has made tremendous inroads in the domestic cotton market. It has made these inroads because cotton has been priced, by law, a few cents a pound above this competitor. In 1955 the increased consumption of synthetic fibers in the United States displaced 978,000 bales of cotton. In 1957 we face a further acreage reduction of 1,549,720 acres. It is very significant, Mr. President, that the acreage reduction which we face approximates the acreage required to produce the increased rayon consumption. Beginning in 1955, the synthetic industry planned an expansion program for a 3-year period in which \$155 million is being spent in the United States on new synthetic fiber plants. These new plants

will displace in the domestic market a large part of the 9 million bales of cotton which are now consumed in this country. This synthetic fiber expansion must be stopped. In addition, if our cotton pricing policies are not changed, the acreage in cotton will get lower and lower each year. There is no end in sight for acreage reduction under our present policies.

Today, with 90 percent support prices and the acreage reduction which follows, the farmer's income is not at 90 percent of parity. His acreage for production has been cut to less than 60 percent of normal. At 90 percent supports this will provide him with only 53 percent of a parity income. In fact, his cotton parity income today stands at 53 percent. It will sink still lower in the future if cotton acreage allotments are permitted to decrease. Later, Mr. President, I shall describe in detail what has happened in the world cotton-growing industry, and show its terrible effect upon the American cotton farmer. I think it safe to say that with present acreage allotments and normal per acre production, most of the cotton farms in the South will lose money on this year's operations. Many farmers will lose their farms. In 1955 it took an abnormally favorable growing season and the highest per acre production in history, something that is extremely rare, to enable most of the cotton farmers to make their income equal their cost. As cotton acreage has gone down, the cost of production has not declined. The total cost has remained static, but has increased on an acreage basis.

Mr. President, my judgment is that the administration has a program for cotton. It is my honest judgment that this program will materially benefit the cotton grower. If 90 percent support prices for 2 years are deleted from the bill, if the soil bank is enacted, and if the parity base is increased from $\frac{7}{8}$ -inch staple middling cotton to the average grade and staple of the crop, I feel sure that steps will be taken which, in the long run, will greatly benefit the millions of cotton growers who live in the South, Southwest and Western States. I believe, Mr. President, that the support price for 1956 will be fixed at a reduction in price of less than 3 cents a pound. This reduction is necessary to place cotton in a better competitive position with rayon.

There will be this year a carryover of more than 14 million bales of cotton, the largest in history. I am confident that an export sales program for all qualities of cotton will be announced, whereby our exports in the long run will be built up to 5 million bales of cotton or greater yearly. This will arrest the continual expansion of cotton acreage in foreign lands.

I am further convinced, Mr. President, that cotton acreage will not be permitted to go below the 1956 figure of 17,391,304 acres. It is my judgment that for 1957 and 1958 the administration will seriously consider and probably support legislation or an amendment to this bill which will fix the minimum cotton allotment for these years at 17,391,304 acres, which is the 1956 allotment. We will thus for these years have a floor under

cotton acreage such as now prevails for wheat.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. When was that promise with respect to a minimum cotton acreage allotment made? It is news to me.

Mr. EASTLAND. I said that that was my personal opinion.

Mr. ELLENDER. Does the Senator have any assurance that the Department of Agriculture will agree to maintain a floor with respect to cotton acreage allotments?

Mr. EASTLAND. I will say to my friend that I stand on the statement I made. That is my personal opinion.

Mr. ELLENDER. Assuming that the bill as now drafted is passed, that is, with a 90 percent of parity provision included, is it not correct to say that even under a flexible price-support program the same acreage allotments will exist, and the same machinery will be used to designate acreage allotments, as under a 90-percent support program?

Mr. EASTLAND. That is not what I said. I said I thought legislation would be supported by the administration which would do that. It would take legislation to do it. That is my opinion. I may be wrong, but that is my opinion.

Mr. ELLENDER. Let us assume that the 90 percent of parity support provision is removed from the bill, as the Senator suggests. Is it not correct to say that the law, with respect to crop controls, will remain unchanged, that is, precisely as it is now? Is it not true that the method used for computing acreage allotments would not be changed one iota if the 90 percent of parity support level is adopted? The law as to determining acreage remains unchanged in either event.

Mr. EASTLAND. Unless it is amended.

Mr. ELLENDER. Yes, but in determining the number of acres to be planted, in the event the flexible price-support provision should remain in the law, the situation would be unchanged. With either 90 percent of parity, or a flexible support program, the acreage allotments for cotton would be computed in the same manner. To place a floor under cotton acreage would require new legislation; is that not correct?

Mr. EASTLAND. Certainly. I said it would require legislation and that I thought there would be administration support for it.

Mr. ELLENDER. Can the Senator tell us what that legislation will be?

Mr. EASTLAND. No. I am not trying to commit anyone to anything. I simply gave my distinguished friend from Louisiana my personal judgment.

Mr. ELLENDER. I have been hearing such legislation rumored for the past 2 or 3 weeks, and I am wondering what is its purpose, and where it is. I have not seen it. It is a very attractive proposal, but it has not yet materialized. I am wondering if it will be submitted any time soon or if it will remain only a rumor, although an attractive one.

Mr. EASTLAND. I shall stand on my statement.

I now yield to the Senator from Vermont.

Mr. AIKEN. I should say that the purpose of any tentative program would be to put cotton on the market and get back as soon as may be possible to a situation under which the cotton producer can again plant a decent acreage and be assured of a fair income for what he produces. I am not so familiar with cotton as is the Senator from Mississippi. I know he has been growing it all his life. I think he has had a very happy experience this winter in seeing a million bales of the lowest grade cotton put on the world market and disposed of much more advantageously and much more quickly than anyone had supposed it could be disposed of. It has demonstrated, I think, conclusively, that it is possible to recover our world cotton market.

Mr. EASTLAND. That is correct. It was thought it would take until August 1 to sell a million bales of extra-short-staple cotton. From January 1 through last Tuesday 891,000 bales have been sold and the program will be finished within 2 weeks.

Mr. AIKEN. There will be sold in less than 10 weeks' time what it was expected would take 7 months to sell.

Mr. EASTLAND. That is correct.

Mr. AIKEN. It has been so encouraging that it has demonstrated that if we sell cotton competitively on the world market, in competition with substitute textiles, it will be safe to approve legislation which will assure no reduction in cotton acreage next year.

Mr. EASTLAND. In 1957 and 1958.

Mr. AIKEN. I think the reasoning of the Senator from Mississippi in this respect is sound.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi further yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Does the Senator not know that, with the huge surplus we now have on hand, if the Secretary of Agriculture is to administer the law as it is now written, whether price support is set at 90 percent of parity or whether it is flexible, there is no possible way for a floor to be placed beneath cotton acreage, short of enacting new legislation?

Mr. EASTLAND. Of course, that is correct.

Mr. ELLENDER. I should like to know if during the debate on this bill the Senator from Vermont or the Senator from Mississippi will offer an amendment which will carry out the proposal to place a floor under cotton acreage.

Mr. EASTLAND. I am going to stand on the statement I am now making.

Under the formula in the law and under the present market and supply conditions, the American cotton farmer, unless legislation is approved, faces a reduction in acreage for 1957 of approximately 1,550,000 acres. This, if correct, and I believe it is correct, will make a national acreage allotment next year of only 15,841,000 acres, which is the smallest acreage planted in cotton in the United States since the Civil War.

Mr. President, we face an acreage reduction next year of 8.9 percent.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a table showing the probable acreage reduction by States.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

States	1956 allotment	1957 allotment	Acreage reduction for 1957	Percentage reduction from 1956 to 1957
Alabama.....	1,025,141	905,503	119,638	11.7
Arizona.....	343,640	328,995	14,645	4.3
Arkansas.....	1,424,511	1,271,412	153,099	10.7
California.....	782,405	737,294	44,111	5.8
Florida.....	36,974	34,111	2,863	7.7
Georgia.....	903,221	805,369	97,852	10.8
Illinois.....	3,110	3,110	0	0
Kansas.....	29	29	0	0
Kentucky.....	7,799	6,841	958	12.3
Louisiana.....	610,891	543,435	67,456	11.0
Maryland.....	25	25	0	0
Mississippi.....	1,646,562	1,458,671	187,891	11.4
Missouri.....	378,055	341,192	36,863	9.8
Nevada.....	2,324	2,324	0	0
New Mexico.....	179,378	167,373	12,005	6.7
North Carolina.....	483,932	428,152	55,780	11.5
Oklahoma.....	845,616	755,397	90,219	10.7
South Carolina.....	726,193	640,484	85,709	10.6
Tennessee.....	563,491	510,886	52,605	9.3
Texas.....	7,410,893	6,877,025	533,868	7.2
Virginia.....	17,114	14,956	2,158	12.6
Total.....	17,391,304	15,841,584	1,549,720	8.9

Mr. EASTLAND. The State of Mississippi faces an 11.4 percent acreage reduction.

The State of Arkansas faces a reduction of 10.7 percent.

The State of North Carolina faces a reduction of 11.5 percent.

The State of South Carolina faces a reduction of 10.6 percent.

Mr. President, I do not believe the economies of any of those States can stand such reductions.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi further yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Will the Senator concede that whether we have flexible price supports or rigid price supports the same acreage allotments will prevail? Will the Senator not concede that unless new legislation is enacted, placing a floor under cotton acreage, the acreage allotments will be the same, whether the support level is determined by a flexible formula or fixed at 90 percent of parity for the next 2 years, as the pending bill proposes?

Mr. EASTLAND. Yes.

Mr. ELLENDER. Will the Senator propose such minimum cotton acreage legislation to us?

Mr. EASTLAND. I said I was going to stand on the statement I am making here. I am not trying to convince my friend from Louisiana of anything. I think an amendment will be offered, and I hope the chairman of the Committee on Agriculture and Forestry will support it.

Mr. ELLENDER. Why was not such an amendment proposed before the committee when we were considering the bill?

Mr. EASTLAND. It was not proposed then, because we did not know how this export program would work. It has worked out so well that the export program, plus the acreage reserve in the

soil bank, will work off the surplus in 2½ years.

Mr. ELLENDER. And it will do so if we provide a 90 percent support level, will it not?

Mr. EASTLAND. Under the system, which I have supported, the fact remains that we have the lowest cotton acreage since the Civil War.

Mr. CASE of South Dakota. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The successive reductions in acreage and what that does to the problem of the individual farmer is not confined to the cotton farmer. When we have successive reductions of 10 or 12 or 13 percent in acreage, it applies to the small farmer, and we are reaching a point where the total net return to the farmer is not sufficient to justify the purchase of machinery and equipment.

Mr. EASTLAND. Wheat is in a preferred position over cotton. There is a vast acreage for wheat.

Mr. CASE of South Dakota. In general, yes.

Mr. EASTLAND. But not as to cotton. We have an acreage which will produce 10 million bales. If this amendment is agreed to, it will simply give cotton the same base as to acreage that it now has.

Remember, as acreage is decreased, the cost of production does not decrease, but it increases on a unit or acreage basis. To arrest further acreage declines for 1957 and 1958 will tremendously benefit the cotton-growing areas of the country.

I desire to add that while I have given the figures for acreage reduction in 1957, they will be much more drastic in 1958, unless legislation is enacted to place a floor on cotton acreage.

Mr. President, our present cotton policies cannot continue. Their continuance will destroy the economies of those States and those people which are dependent upon the cotton crop. We have lost the major part of our great export market to new cotton-producing areas in foreign lands and to foreign rayon production. We are losing our domestic market. Must we sit here and wait and do nothing until the remaining great markets which we have are lost before we take steps to correct it?

Two steps must be taken simultaneously to save the American cotton industry. One step must be to place cotton in a better competitive position with rayon in the domestic market, and the other is to begin to liquidate by Government action the tremendous stocks of cotton which have accumulated. We must do this and at the same time increase the income of the cotton grower. These steps, I am confident, the administration is prepared to take and, Mr. President, as one Senator from a cotton State, I am certainly prepared to support these steps. I think they are constructive, and I know they will be of tremendous benefit to the cotton farmers.

It is proposed to liquidate the 10-million-bale surplus by a two-pronged attack. First, as I have said, is for the

Commodity Credit Corporation to liquidate its stocks at competitive world prices. Second, under the soil bank, it is proposed to reduce the present allotments by 3 million acres and to pay the farmer who voluntarily reduces his allotments 15 cents a pound based on his average production for the past 5 years. The farmer whose production averages a bale to the acre will receive \$75 an acre not to plant part of his allotment in cotton. If the bill shall be enacted in time to become effective this year, this, plus the export program, should liquidate the surplus in 3 years of operation, and with no further reduction in acreage allotments.

In addition, this provision of the soil bank will add to farm income because the payments to reduce the acreage below the allotments will be greater than the net income if the acreage is actually planted in cotton. Let me say at this point that the figures for my State are \$22 million. I say from experience that a farmer cannot make money on the reduced acreage at a bale to the acre production. This is the break-off point.

The American cotton farmer is in a deplorable condition. Support prices for cotton have been set at an arbitrary figure of 90 percent of parity by law without regard to market conditions or world price levels. The farm program, without the aid of an export sales program, has caused the accumulation of excessive stocks of American cotton in the hands of, and under the support program of, the Commodity Credit Corporation. The problem has been made more complicated and acute because this agency has been prevented by the State Department from disposing of these stocks at competitive world prices, and this has greatly contributed to the shrinkage of American exports. However, the entire system, because it held American cotton prices above foreign prices and above American-produced rayon, resulted in a drastic shrinkage of the American cotton producers' market, both domestic and foreign. The present program was designed and made operative before synthetics became a real competitive factor, and unless changed will continue to have disastrous effects upon the entire American cotton economy.

The fixed support-price program of the United States has largely fixed the price level of world cotton. It has guaranteed that there would be no drastic declines in world cotton prices. Bankers have been secure behind this price umbrella to finance greatly expanded cotton production in the old cotton-producing countries, and it has caused the creation and development of new cotton production in great volume in many new producing areas of the world. This expanded foreign production, and the increased production of synthetics, coupled with our large cotton surplus finally broke through this floor and broke world prices 6 to 8 cents a pound for a time. This market break of their own making should reduce their profits and scare the risk capital that has financed this production to some extent for the future. Now is the time for us to move

in and continue to discourage their further expansion. In fact, we can stop it by making it unprofitable. However, this foreign acreage continued to expand and in the last few years the increase in acreage grew to nearly 1½ times the total United States acreage allotted for 1956. Meanwhile, the United States producers were cut from 1953 plantings by 21 percent for 1954, an additional 15 percent for 1955, 4 percent more in 1956, and face another 9 percent cut in 1957. In fact, the United States producer has virtually borne the entire acreage reduction for the world. As he has reduced his acreage there has been a corresponding increase in the acreage planted to cotton abroad. His sacrifice has maintained the world price at a high level, and encouraged foreign producers to expand acreage, capture historical American markets, and enjoy a period of unrivaled prosperity which the American farmer has created, but in which he has been denied full participation because of his curtailed acreage.

The result is that markets we have been generations in creating have been surrendered to foreign producers without firing a shot; foreigners have placed their cotton prices just under ours in order to get this export business and to take over in grave proportions the markets for American-grown cotton.

A further incentive to expanded foreign production was our technical and financial assistance programs to provide know-how, equipment, and irrigation projects to remove the production risks and create new production areas. Mr. President, cotton is different from other farm commodities. Cotton must compete with synthetic fibers. Cotton must compete with foreign-grown cotton. The domestic market will not sustain the cotton economy of our country.

The 90 percent support-price program, and the lack of an export sales program, have not only protected the domestic and foreign cotton prices, but the system has also protected the American and foreign synthetic industries, particularly the rayon industry, which have placed their prices just under the price of cotton, and as a result have made great inroads into cotton consumption both in the United States and abroad. The result has been to further decrease the consumption of American cotton, which has made additional contributions to the present low cotton-acreage allotments. I am of the opinion that unless changed, the present program will in the future cause further decreases in the consumption of American cotton and still lower acreage allotments in the United States. Additional losses in the domestic market to synthetics and the loss of our exports to foreign cotton production and synthetics could easily cut our national marketing quota, under existing law, well below 10 million bales; and this, with continued increases in production per acre in the United States, would necessitate additional cuts in acreage allotments that would be still more disastrous to individual producers and areas of the Cotton Belt.

Mr. President, I desire at this time to discuss the domestic upland-cotton situation.

The carryover of 11.1 million bales of cotton on August 1, 1955, and a production of 14.5 million bales for that crop year necessitated the imposition of stringent and uneconomic acreage controls for the 1956 crop year under the existing law. The carryover and the crop provided a supply in excess of 25.6 million bales—an all-time record high. Under the marketing quota law, the following situation exists:

Exports estimated..... 2,500,000

Let me say that this is a half million bales too high.

Estimated domestic consumption..... 9,200,000

Estimated disappearance... 11,700,000

Thirty-percent allowance for carryover..... 3,510,000

Estimated normal supply... 15,210,000

These estimates will apparently leave a surplus of over 10 million bales above a normal supply, and a carryover on August 1, 1956, of 14 million bales. The Secretary of Agriculture was required under the law to impose controls for 1956 in the amount of 17,391,000 acres. This drastic reduction in acreage is creating extreme hardships on producers. The 9 percent additional reduction in allotments for 1957 under the law will be disastrous to cotton producers.

Now, Mr. President, let us consider foreign cotton production expansion.

The fixed price-support program and our past CCC policy with respect to export sales have furnished an umbrella under which foreign production has expanded both in acreage and in production per acre with the assurance that it could capture our export markets at profitable prices. Our Government policy has been to force the United States cotton farmer to reduce his cotton acreage in this country to bring world supply into balance with effective world demand.

Foreign countries, with suitable climate and soils conditions for the production of cotton, and in need of an exportable commodity to provide them with needed exchange or barter in world markets, turned to cotton as a safe commodity to produce, because our fixed cotton-pricing policy guaranteed them a market for their full production at profitable prices. In several instances part of the expansion has been carried out with private American capital, and with United States Government financed technical assistance. In addition to the technical assistance, the United States Government, through gifts, grants, and loans, for economic developments, including irrigation facilities, equipment, and so forth, has actively and materially assisted the expansion of existing cotton-growing areas, and the creation of new such areas in foreign lands. In fact, our Government is largely responsible for the increased foreign production.

I am of the opinion that, if it were not for the mandatory 90 percent support-price program of the United States Government and the lack of an export sales program, which has maintained world cotton prices, bankers and lend-

ing agencies would not have extended the credit to expand foreign cotton production, and a large part of these new cotton-growing areas might not now be in existence.

I desire to give a few selected instances of foreign expansion in acreage, and the increase in production encouraged by the price-support program, CCC sales policy, and other policies of the United States Government.

In the period 1950-55 Egypt planted 134 percent of her 1945-49 acreage; Argentina, 139 percent; India, 146 percent; Mexico, 191 percent; Turkey, 225 percent; Syria, 673 percent; Nicaragua, 936 percent. This acreage resulted in an increased production of 3,777,000 bales in these countries during this period. This increase in production was sold principally at the expense of the American cottongrower's market.

Central America is one of the high-producing areas which is expanding cotton production most rapidly. Nicaragua, El Salvador, and Guatemala have steadily increased from 50,000 bales only 4 years ago to 300,000 bales last year. A further increase of about 100,000 bales is expected for 1955-56, and potential production estimates by the United States Department of Agriculture specialists range from 700,000 to 900,000 bales in the next few years. Mexico has doubled her acreage in the last 5 years. India increased her cotton acreage 1.3 million acres in 1955 and she plans additional increases out of the 1.5 million acres of new irrigation from the Bhakra-Nangal multipurpose-dam project. India's long-range plan, under our umbrella, is to increase cotton production from 2.6 million bales in 1949-50 to 5.8 million bales in 1961. Pakistan plans a rapid expansion of production from the 1954-55 level of 1.4 million bales to 2.5 million in the near future.

Foreign acreage increased from an average of 39,152,000 acres for the period 1945-49, to 56,315,000 as an average for the period 1950-54, or an increase of 17,163,000 acres. In other words, Mr. President, the increased acreage abroad under our price umbrella, from 1950 to 1954 was 17 million acres, which approximates the total acreage planted in cotton in the United States.

The unsoundness of our policy is further demonstrated by the fact that our cotton producers were forced, through controlled acreage for 1954, to reduce allotments to 21,379,000 acres, while foreign plantings were increased in the same year—1955—to 60,483,000 acres, or an increase of 21 million acres.

For 1956 the United States farmers' allotment is cut to 17,391,304 acres, which is a slash of 5,457,000 acres from the 1950-54 average planted acreage. Unless we can apply the helpful provisions of this bill, cotton farmers—as I have stated—face another 9 percent national reduction in acres down to 15,800,000, or a cut of over 1.5 million acres more, for 1957. If we continue with our present program, our acreage allotments will continually decrease. Meanwhile, foreign producers will continue to expand substantially above last year's plantings, and will continue to capture markets

which are historically those of the American cotton farmers.

As a consequence of the policies demonstrated above, it is clear that United States producers have become for the first time in history the residual suppliers for world cotton markets. These policies have already driven thousands of farmers off the land, and, if continued, will bring bankruptcy to hundreds of thousands of our cotton farmers or will force them completely off the farm. A continuation of these policies will destroy our cotton economy and will undermine our entire economic strength. These policies have deprived thousands of United States tenant farm families of their historical means of livelihood for the crop year 1955, and additional thousands for 1956. These families have had to move, and are moving, to town, and many of them are now living primarily on welfare allotments. They are further adding to our rolls of unemployed, while they are seeking other work. Most of these people are not adapted to, or capable of, efficient industrial production; and they are creating acute social and economic problems in the areas to which they have moved. Past experience indicates that many of them will never return to the land.

Mr. President, let us look for a minute at the world export picture for cotton. The world export picture indicates a continuous loss of these markets by the United States cotton producer since 1929. In the 5-year period 1925-29, the world export market consumed an average of 14,433,000 bales, of which foreign producers supplied 5,858,000 bales, or 40.6 percent, and the United States supplied 8,575,000 bales, 59.4 percent. By 1953, our share of this market had dropped to less than 30 percent. At our present rate of exports for this year, it appears that for the first time we may supply less than 20 percent of this market, the smallest United States exports in 100 years, except for war years.

The world cotton export market has not expanded since 1925, in spite of the increase in per capita consumption, the increase in world population, and the improved economic conditions of its people. This is due to the inroads of the man-made synthetics on the fiber market. Our share of this relatively stable market, however, has steadily declined, except for the fluctuations brought about by World War II, the Korean war, and their aftermaths.

The limitation by our Government on exports in 1950-51 helped to raise the world price to unrealistic heights, and stimulated the aforementioned foreign acreage expansion. This gave impetus to the trend in increased production abroad which constitutes a major feature of our present cotton problem and to expanded synthetic production capacity.

Much of the cotton that we have moved during the last few years into export channels which has sustained the industry has been moved through assistance programs. In other words, approximately 41 percent of the pitifully small amount of cotton we have exported in the past few years has been virtually given away under the export programs,

because our cotton has been priced out of the market. From April 1948 to February 1955 we exported over 28 million bales of cotton. We sold for dollars 58.8 percent of this, or 16.5 million bales, and we financed or gave away through ECA, MSA, and FOA the other 41.2 percent, or approximately 12 million bales. These assistance programs are helpful in disposing of our production. They, along with the short crop in 1950 and the Korean war, helped to prevent a situation similar to the one we now have from developing earlier. These programs, as helpful as they are, are not the answer to our long-time problem. The most important part of the answer is markets. There is no substitute for markets in any formula. We must sell what we produce. A farm program which surrenders markets is doomed to failure. A farmer who loses his markets, Mr. President, loses his farm. We can by law influence the price of cotton for a limited time, but we cannot indefinitely repeal the laws of supply and demand in regard to price. Price alone is no solution. Price alone is not a farm program. Our efforts in this direction have finally caught up with us, as is clearly indicated by the fact that our carryover will be the largest on record—14.2 million bales, next August 1, and our exports will be the smallest in 100 years, except for war years when we had no bottoms in which to ship the cotton.

We have sacrificed markets and production in an effort to maintain price. In this endeavor, we have sacrificed the domestic market, as well as the export market. We have reduced our acreage beyond the stage of individual hardship, to the point of cumulative hardship on every producer, small or large. This is due primarily to the fact that we have become noncompetitive in price by our fixed support-price program and by the export sales policies of the CCC, as set up by the State Department.

The cottongrowers of the United States, as individuals, without the aid of their Government, are at an impossible disadvantage to meet competitive export prices which are subsidized by foreign governments of competing countries. They cannot challenge practices by these countries which bear resemblances to actual dumping of cotton on the world market. These practices have been successfully used to capture the markets of the American cotton farmer. It will take action by the United States Government to meet these conditions which now prevail in the world cotton trade. This is why the sale by the CCC of its stocks at competitive prices is of such tremendous importance to the American cotton farmer. As I have stated, I believe that an announcement in this connection is imminent.

The American cotton farmer should not be expected or required to compete individually with the treasuries of foreign countries. This is especially true when the foreign policy of his own country has materially contributed to his predicament.

Mr. President, another situation that throws much light on this problem and proves that our program has made the

American cotton producer the residual supplier of the world market is the change in location of world cotton inventories. Ten years ago the United States carried over 45 percent of the free world's inventories on August 1, while at the end of the marketing year of 1954 we were carrying two-thirds of these inventories. Not only have we forced the American cotton producer to provide them a price umbrella and endeavor to maintain the world supply at normal, but he, through the CCC, carries most of the raw cotton inventories for both foreign and domestic mills. Foreign cotton and synthetic producers are supplying the export fiber market.

I say that that fact speaks eloquently on the point that something is gravely wrong when we have a system which has built up in the United States the greatest cotton surplus in history. It has resulted in the lowest figure for exports in a hundred years. It has resulted in the lowest cotton acreage since 1860. There has been terrific expansion abroad, and there is no surplus of cotton abroad. The surplus is held only in this country. What further must we do to show that there is something gravely wrong with a system which permits such conditions?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Is it the Senator's opinion that the cotton growers of the United States would be able to compete on equal term with the peon labor of Mexico, Peru, Brazil, Pakistan, and other countries now producing cotton?

Mr. EASTLAND. I will give the Senator what I think is a complete answer to that question. For 50 years the American cotton producer has successfully competed with peon labor in India, where the wage scale was from 5 to 8 cents a day.

Mr. ELLENDER. The Senator knows very well that India produces only a pittance of cotton above her own needs.

Mr. EASTLAND. No; the Senator is mistaken.

Mr. ELLENDER. I mean beyond her own consumption. India exported very little cotton.

Mr. EASTLAND. India exported cotton.

Mr. ELLENDER. To Asia.

Mr. EASTLAND. I do not know to where it was exported. I think we could compete.

Mr. ELLENDER. At what price would the American farmer have to produce cotton in the United States to be able to compete on the world market?

Mr. EASTLAND. That would depend, of course, on what the world market was. Cotton grown in Louisiana and cotton grown in my State are highly competitive with cotton grown in Mexico. It is about a $1\frac{1}{16}$ inch staple cotton. Yes; I think we could easily compete with Mexico.

Mr. ELLENDER. At what price? What would be the price range?

Mr. EASTLAND. Last fall Mexico began to dump her cotton because she was afraid of the announcement of an export sales quota. The market fell to 26 or 27 cents for a few weeks. It is now back to 29 or 30 cents. I think it

would move at from 30 to 31 cents. We have some advantage over the Mexicans in respect to quality.

Mr. ELLENDER. Is the Senator arguing that the cost of producing cotton in Mexico is around 25 or 30 cents a pound?

Mr. EASTLAND. I think the Mexican cotton producers lost a great deal of money last year. My information is that they lose a great deal of money at 27 or 28 cents a pound. They have an export tax of 5 cents a pound to pay.

Mr. ELLENDER. Could the government not manipulate that tax? As a matter of fact, does she not manipulate it now? Could Mexico not make it half a cent, or even do away with it altogether?

Mr. EASTLAND. The government could manipulate it. However, I will state, as a cotton farmer, that I am confident that we could very successfully compete with Mexico and Central America.

Mr. ELLENDER. What does it cost American cotton farmers to produce a pound of cotton?

Mr. EASTLAND. That depends entirely on the production per acre. If a cotton farmer makes three-quarters of a bale to an acre, it costs a great deal. If he makes a bale and a half to the acre, it costs much less.

Mr. ELLENDER. In order to indicate that we now have a huge surplus, the Senator is taking acreage and production figures of last year and the year before, is he not? It is my recollection that last year we planted over 2 million acres less than we did in 1954, and produced almost a million bales more.

Mr. EASTLAND. Yes.

Mr. ELLENDER. That year was unprecedented.

Mr. EASTLAND. Yes. So why argue?

Mr. ELLENDER. I understand; but is the Senator not using production figures of that character to depict the huge surplus he is talking about?

Mr. EASTLAND. Oh, no.

Mr. ELLENDER. What figures is the Senator using?

Mr. EASTLAND. We did not build up the surplus in one year.

Mr. ELLENDER. The Senator remembers that in 1950 we had an embargo on the shipment of cotton.

Mr. EASTLAND. Certainly. That was in 1950.

Mr. ELLENDER. All that surplus accumulated when controls were lifted, and farmers were told to plant all the cotton they could, because of the Korean war. As the Senator knows, 90 percent price support had nothing to do with it.

Mr. EASTLAND. I have said that there are two reasons why we have this surplus. There are two reasons why we have become residual cotton suppliers. One is that the support price has held the price of our product above that of the foreign cotton producer. He has been able to market his product just under our support price. The State Department has refused to permit an export program which would enable us to compete.

Mr. ELLENDER. What assurance has the Senator that the same policy will not be continued in the future?

Mr. EASTLAND. I think there is another reason. I have said that I thought

an announcement was imminent with respect to an export sales program.

Mr. ELLENDER. Before the vote on the bill?

Mr. EASTLAND. I do not know whether it will be before the vote on the bill. I have said that an announcement is imminent. I hope it is imminent.

Mr. ELLENDER. I should like to know if the Senator has any inkling as to what is happening. Has the administration had a change of heart, or is it throwing out any baits which might attract some opposition to the 90-percent price support incorporated in the pending bill?

Mr. EASTLAND. I know of no baits. However, as my friend from Louisiana is aware, for a year the Department of Agriculture has been doing everything within its power to get an export sales program. I believe it has been cleared.

Mr. ELLENDER. When the Senator says it has been cleared, does he mean it has been cleared by the State Department?

Mr. EASTLAND. All I can say is—that and this is what I stand on—that in my judgment an announcement is imminent.

Mr. ELLENDER. I repeat, I presume the announcement will be made before a vote on the bill is taken.

Mr. EASTLAND. I do not want to presume that.

Mr. ELLENDER. I will presume it. Let me take the responsibility.

Mr. EASTLAND. I shall be glad to have the Senator take that responsibility.

Mr. ELLENDER. Very well.

Mr. EASTLAND. Currently there are no surpluses in foreign countries above seasonal supplies. The only surplus is in the United States and there is room for part of it now in that market. Yet, in the first half of this year we exported roughly only 800,000 bales of cotton—less than half of last year's small exports because the foreign mills have been waiting on us to adjust our price. But the experts tell us now that foreign cotton production is less than 2 million bales away from export market needs. We must do something now. We have no more time to waste because at present trends foreign cotton production will equal foreign cotton consumption in 2 years according to the Department of Agriculture. Their point there is quite significant. Foreign production has risen, until today it is within 2 million bales of foreign consumption. When the two figures meet, that is, when foreign production meets foreign consumption, United States cotton will be out of business as a major factor in the world cotton industry. The American farmer will be bankrupt.

Mr. ELLENDER. Is that not because we cannot produce on an equal cost basis with the foreign producers, and because we do not subsidize cotton exports?

Mr. EASTLAND. Of course that is not the reason. The cause is what I have been saying all afternoon. It is because of two things. First, we have priced ourselves out of the market, and, second, we have not had an export sales program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Is it not a fact that we have priced ourselves out of the market through gearing our cotton support program to the requirements of the most uneconomic producers?

Mr. EASTLAND. The Senator is correct. If we had supplied our markets at competitive prices and retained them we would not now face the uphill fight to regain them from foreign cotton and synthetic producers who have geared their production capacity to supply them. Also, Mr. President, we must dispose of our surpluses while together we and they are producing in excess of this current market. This is not going to be an easy task. The producer must be permitted by the Congress to assist in this struggle for markets.

Mr. President, let us now take a closer look at our synthetic competition.

To further complicate the problem, inroads have been made on the domestic and world cotton markets by the synthetic fibers. Profitable investments in the expansion of synthetic production on a worldwide basis have been assured by the United States cotton price support umbrella. These fibers are very competitive in use, but offer little inducement on a consumer preference basis. They have been able to capture huge markets formerly enjoyed by United States raw cotton mainly on the basis of price because a mill will buy and spin what it makes the most money by spinning.

Rayon production alone has increased in the United States from 700,000 cotton bales equivalent in 1938 to 3,400,000 bales in 1954. World rayon production has increased from 4,500,000 cotton bales equivalent to 16,600,000 in the same period. On the domestic scene, rayon in 1954 displaced over 5½ million cotton acres based on the United States average production per acre of the immediate past 5 years. Our 1955 production of synthetics in the United States increased 763,700 cotton bales equivalent. Our synthetic imports doubled for the year to a total of 415,000 bales equivalent. Our United States total increase for 1955 in the consumption of man-made fibers was 978,700 bales, bringing our consumption to 4,578,700 cotton bales equivalent. This increase in synthetic consumption in 1 year displaces another 1.5 million cotton acres production. This is the amount of the acreage reduction facing cotton growers for the 1957 crop below current allotments. The cotton farmers of this Nation cannot continue to cut cotton acreage 1 to 2 million acres each year. This 1955 United States consumption of synthetics now displaces nearly 7 million United States cotton acres annually. The cotton producer must be permitted to become more competitive in the market. On the same basis in the world picture, rayon now displaces over 22 million cotton acres on the world average production per acre. Reliable textile milling interests state that less than 20 percent of rayon consumption is on a consumer preference basis, and that over 80 percent has been lost purely on the price factor.

It is thoroughly alarming that the United States cotton support price became the stabilizing base for world cotton and synthetic production, and thus provided an incentive for expansion. To carry out this policy, we store our cotton and hold it off the world market until such times as the world supply is exhausted. When world production is excessive, our domestic production remains off the world market, accumulates in Commodity Credit Corporation stocks, and forces curtailment of United States production through acreage controls. No other cotton-producing nation exercises any control over cotton production as such, so that presently world production is increasing faster than United States curtailment. The American farmer should not be expected to bear the entire burden and pay the entire cost of maintaining a normal world supply of cotton, at the same time providing both price and market assurance for world rayon expansion.

Mr. President, as I have pointed out, the road we are now traveling will legislate the cotton farmer out of business in a few more years. Unless we adjust the price support laws and permit him to compete, there is no end in sight to acreage reduction. Allotted acres will get less and less, and acreage reductions have already reached the point of diminishing returns. We have lost our cotton export markets and the Government must spend millions of dollars to help regain them beginning now. Will we also sit here and continue to legislate away what is left of the domestic market before we attempt to save it? Can we justify our refusal to permit the cotton farmer the opportunity to meet his competition and save his industry with our assistance?

Mr. President, I desire a program under which farmers will get the highest possible price for what they produce, the highest possible net income, and which will afford them a high degree of prosperity. It takes two things for a prosperous agriculture. One is price support; the other is volume, or an acreage large enough to give them volume production. We have sacrificed volume production to protect price, and the result is that the American cotton industry is on the brink of collapse. The proposals in this bill, coupled with administrative action which I believe will be taken immediately, and which I have heretofore outlined, will go far toward saving the American cotton producer. I think this entire plan will increase the net income of southern cotton farmers and that it is far superior to what we now have. The provisions of the soil bank will help to bridge the income gap in moving the cotton surplus into consumption and provide a better production plant to enable the cotton farmer to meet his competition when supplies are again normal. We, of course, must have support prices which will help stabilize our rural economy, enable a farmer to secure his fair share of the national prosperity, and preserve a sound banking structure. It is necessary that production move into consumption. The warehouse is no substitute for a market, and I believe that the cotton program as out-

lined will place the American cotton industry back on the road to prosperity. Therefore, I shall support it.

Mr. AIKEN. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Mr. President, I wish to compliment the Senator from Mississippi on his very comprehensive and intelligent analysis of the position of the cotton grower in the United States today. I only wish that every cotton grower in the country could have heard what the Senator has had to say on the floor this afternoon, because, then, I am sure we would not continue a minute longer the discussion as to whether we should return to a program which has already lost the cotton grower of America most of his export markets and a good share of the remaining domestic market. There should be no question about going ahead with a program which would restore the cotton industry to somewhere near its former proportions and restore income to the cotton producers of the United States. By "income," I mean price times volume produced.

Mr. EASTLAND. I thank my distinguished friend from Vermont. Does the distinguished Senator not think that this program would place the cotton producers of the United States on a better economic level?

Mr. AIKEN. If Congress does its part, there is no question that the Department will do its part to restore the great domestic cotton-producing industry to its former status. I know the Senator from Mississippi is on very sound ground when he predicts better days ahead for the cotton growers of America, provided the Congress does what it should in the form of legislation.

Mr. EASTLAND. I thank my friend from Vermont.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. I think my good friend from Vermont is overoptimistic.

Mr. AIKEN. I have reason to be.

Mr. ELLENDER. My good friend from Mississippi must know a great deal that others of us do not know as to what is in contemplation and what will be announced before next Monday.

It is apparent that the Senator from Mississippi has made quite a study of the displacement of cotton by synthetic fibers. Does the Senator know at what price cotton should sell in order to regain some of the market it has lost through the substitution of rayon and other synthetic fibers?

Mr. EASTLAND. That would depend on the commodity.

Mr. ELLENDER. I am talking about cotton now.

Mr. EASTLAND. At what price cotton should sell to displace rayon?

Mr. ELLENDER. Yes.

Mr. EASTLAND. That depends on the commodity.

Mr. ELLENDER. The Senator has thoroughly studied this problem—

Mr. EASTLAND. If we put the cotton price down to 22 cents, it would move in on the entire cord market. No one favors any such thing as that. It is something we cannot control. The point I

was making was that beginning on January 1, 1955, there was \$155 million earmarked for synthetic fiber expansion in the United States over a 3-year period. We have got to cut cotton prices from 2½ to 3 cents a pound to stop that expansion.

Mr. ELLENDER. The Senator expects to accomplish that through the amendment which he will propose?

Mr. EASTLAND. I stated that I thought if it is not done—

Mr. ELLENDER. To eliminate the seven-eighths yardstick?

Mr. EASTLAND. That would be only part of it. I said I thought I would fix it at a total price reduction of under 3 cents a pound.

Mr. ELLENDER. And that would include changing from the seven-eighths basis, and what else?

Mr. EASTLAND. I think it would be approximately 87 percent. That is merely my judgment. I have no information that my friend from Louisiana does not have.

Mr. ELLENDER. I should like to feel that way.

Mr. EASTLAND. I wish to state that I am perfectly satisfied to do everything I can to protect the cotton industry in which my State's economy is primarily involved.

Mr. ELLENDER. I expect to do the same thing for the cotton industry of Louisiana, but I shall travel a different road.

Mr. EASTLAND. Certainly. I am doing what I think is right and my friend from Louisiana is doing what he thinks is right.

Mr. ELLENDER. Let me point out to the Senator that, as he undoubtedly remembers, in 1950 there were 18,629,000 acres of cotton planted, with a production of 10,014,000 bales of cotton.

Mr. EASTLAND. Yes.

Mr. ELLENDER. He remembers, also, that last year, with 17 million acres planted to cotton, 14,600,000 bales were produced.

Mr. EASTLAND. Yes.

Mr. ELLENDER. And in 1951, although there were 28 million acres planted to cotton in contrast to 17 million acres last year, the difference in production was less than a million bales.

Mr. EASTLAND. Yes.

Mr. ELLENDER. I merely wish to point that out to indicate to my good friend from Mississippi that the huge amount of cotton which we now have on hand can be attributed to the high yields per acre which were realized in the past 2 or 3 years because of the wonderful weather our farmers were blessed with.

Mr. EASTLAND. That certainly cannot be correct, when normal exports of from 5 to 6 million bales a year fell to 3¼ million bales and are now running at a point where we will do well if we export 2 million bales.

Mr. ELLENDER. The Senator said himself that we gave away the cotton that went into export.

Mr. EASTLAND. No; I did not say that.

Mr. ELLENDER. The Senator said we gave away 40 percent of the cotton exported.

Mr. EASTLAND. Wait a moment. Let us keep the record straight.

Mr. ELLENDER. Very well.

Mr. EASTLAND. I said that in the 6-year period I named after 1948 we exported 26 million bales of cotton, of which 12 million bales were given away under some foreign-aid program.

Mr. ELLENDER. That is correct.

Mr. EASTLAND. Our exports have been running 3 million bales, 3¼ million bales, 2½ million bales, in the past 2 or 3 years. Approximately half of that was given away. But when I mentioned these pitiful exports I also mentioned that half of it was given away because we priced it out of the market.

Mr. ELLENDER. The Senator can see also, I presume, that if the plan which he envisions or which he thinks will be announced to the Senate is followed, it will entail a loss to the Treasury.

Mr. EASTLAND. I do not think that at all.

Mr. ELLENDER. Let us consider the million bales of cotton which will be sold within the next 2 or 3 weeks. Does the Senator know how much loss will be sustained by the Government?

Mr. EASTLAND. It is very short cotton which has been unrealistically priced. The seven-eighths provision is for the purpose of correcting that situation.

The Senator has said there would be a loss to the Treasury. The Senator knows that when we have a stock of any commodity in the hands of the Commodity Credit Corporation, and the price of that commodity falls, the Treasury takes a loss in its inventory. That has happened to wheat and to every other commodity.

Mr. ELLENDER. But the loss which will be suffered by the sale of the million bales is in addition to all that. My information is—if I am incorrect I should like to be corrected—that the loss will be in the neighborhood of from \$35 to \$45 a bale.

Mr. EASTLAND. That is cotton which is not consumed in this country.

Mr. ELLENDER. I understand.

Mr. EASTLAND. Practically all the mills in the world, as the Senator from Louisiana knows, want to spin cotton having a staple length of from 1 inch to one and one thirty-second inches. This will run to about 80 percent of the world's consumption. When we begin to offer cotton like that under an export program, we will not have to take such terrific losses.

Mr. ELLENDER. The Senator means longer staples, does he not?

Mr. EASTLAND. Yes.

FARM PROGRAM MUST BE FAIR TO ALL FARMERS
ALIKE

Mr. NEUBERGER. Mr. President, the questions of farm policy which the Senate is now debating are among the most important facing our Nation this year. They involve directly the livelihood of millions of American families, and indirectly the prosperity of thousands of communities throughout the country. At a time when claims of unprecedented prosperity are made for much of our economy, surely the agricultural recession of the last 3 or 4 years is one of our most important domestic problems.

Certainly no other area of domestic policy has had so much attention or has been so thoroughly and continuously debated in recent times as our programs for agriculture. The economic difficulties which have beset, and continue to beset, our farm families have been graphically documented in the hearings and reports of the responsible committees of Congress. No time or effort has been spared in giving a hearing to every point of view while considering the hotly debated alternative proposals for helping American agriculture through its present difficult period.

The other evening, Mr. President, I was leaving the Senate Office Building at 8:30 o'clock, and I thought that I was probably the last Senator to depart. But at the entrance I met members of the Senate Committee on Agriculture and Forestry, who were coming back from dinner for another night of hard work. That was characteristic of the unselfish effort and energy which have gone into the preparation of the bill now before us.

Unfortunately, I do not have the privilege of serving on the Agriculture Committee. Because the farm bill is now receiving such able exposition and debate from the distinguished members of that committee, who have far more experience than I with the development and the record of our agricultural policies, I do not presume to add much new wisdom to their discussion, and I shall speak only briefly on the bill.

There is much in the bill to which I subscribe, and some things which I deem inadequate.

I believe the committee was wise to grant a trial to the soil-bank program—a plan with origins deep in Democratic farm policies and now fortunately and wisely endorsed by President Eisenhower and Secretary Benson.

I believe it was the part of wisdom to institute a program to encourage farmers to plant grasses, trees, and other resource-strengthening species, in the parts of their acreage taken out of crop production.

I believe the committee was wise in restoring the 90 percent of parity level for price supports on the products which qualify for it, because this is the most immediate way, in my judgment, of shoring up falling farm income in this particular realm of agriculture.

BILL WORTH WHILE, BUT DOES NOT GO FAR ENOUGH

For these reasons, I support the committee's bill. My disagreement is concerned with areas in which, in my opinion, the committee did not act boldly enough.

For one thing, Mr. President, I believe the domestic parity certificate plan for wheat certainly merits the same trial which we are now prepared to give to the soil bank. This plan offers a well-thought-out method of protecting the income of wheat farmers without Government purchase and accumulation of wheat surpluses, and it encompasses provisions to protect growers of price-supported feed grain against undue competition from lower-priced wheat. The time has come for us to submit this plan

to the test of experience, and it deserves inclusion in the farm bill. I trust the Senate will add it by amendment on the floor.

Secondly, Mr. President, I believe that this bill perpetuates, more fundamentally, the injustice of protecting the incomes of growers of some crops but leaving the majority of our farmers without any protection whatever.

Why should the Government of the United States support the prices of corn, and cotton, and tobacco, and wheat, and peanuts, and thereby the incomes of those who raise these crops—and do nothing to protect the incomes of farmers who raise cabbages, or apples, or turkeys?

I think that if I live to be 200 years old—although I have no expectation of doing so—I shall never quite see the justification of such a limited farm policy.

Perhaps development of a really far-reaching agricultural policy—designed to protect the diversified family farm against the economic as well as the natural conditions which make the farmer's economic position a peculiarly precarious one—has not yet been stressed by the major farm organizations. Perhaps these organizations have been principally concerned with maintaining and improving the Government support programs for the great basic, mass-produced commodities. But important as they are, these support programs reach only a minority of farm families. In my State of Oregon, only about 16 percent of cash farm receipts in 1953 came from basic commodities. About 66 percent—two-thirds—of cash farm receipts came from commodities with no supports whatever. Mrs. Neuberger's family, who are small farmers, constantly call this to my attention.

During the 4 months I spent in Oregon last autumn, I met with hundreds of individual farm operators to whom the great controversy of this year, over the soil bank and 90 percent or sliding parity, are quite comparatively irrelevant. Yet these farmers are suffering the same squeeze as the producer of basic commodities between rising costs and falling receipts. And the letters I have received from Oregon farmers since my return continue to bear out this obvious fact about our present farm programs.

For instance, Mr. President, on January 23, 1956, Mr. Walker Ellis, of Milton-Freewater, wrote me, in part, as follows:

Since at no time in 1955 did the prune growers receive anywhere near the cost of production, we feel no one should blame us if we are indignant that all proposals for "farm problem solutions" are concentrated on subsidized crops. In view of the fact that four-fifths of the Nation's food crops are nonsubsidized we feel it is time some action was taken in behalf of these farmers. This portion of agriculture is in huge majority, in number of farmers, volume of production, and acres in production, yet because of the small units and diversity of interests is unable to organize or raise huge sums of money for lobbies to promote their interests.

Similarly, I received this letter from Mr. H. G. Faust, of Boring, Oreg., dated January 16, 1956:

We heard you over radio last evening on the President's farm program and I want to congratulate you on your stand and defense of the small farmer. You are right in saying that they should participate in all help. I retired from a college professorship 5 years ago and came to a small ranch I have owned a long time and have 14 acres of berries and the price was so low last year that we had to take a terrible beating and a severe freeze got most of them in November. If there is not a change for the better this year the berry farming is well on its way out and another year or two will wind it up in the Gresham area.

The small farms too will have to go because of low income and increased expenses. I assure you that anything you may do for this situation will be appreciated by thousands of small farmers around the Gresham area. Thanks for your monthly letter and report.

Very sincerely yours,

H. G. FAUST.

I also ask unanimous consent, Mr. President, to have printed at this point in my remarks a letter from Mr. R. E. Schedeen, of Gresham, Oreg., and a letter sent on January 5, 1956, to Secretary Benson by Mr. Edwin E. Phetteplace, a copy of which was sent to me, which make the same point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SCHEDREEN BROS. FARMS,
Gresham, Oreg., February 6, 1956.
Senator RICHARD L. NEUBERGER,
Washington, D. C.

DEAR DICK: Thanks for the letter of last December. I heartily agree with you that our party's present subsidy program is inadequate. Not only is it inadequate but it is unfair. For example, farmers in the lower Willamette Valley who are growers of mostly specialty crops not only do not receive any benefits from the program but actually contribute to it in the way of taxes.

In considering the farm problem, great emphasis is placed on present surpluses—too much emphasis. True, on some commodities, such as wheat they are a real burden. However, most commodities are not saddled with overabundance yet their prices are at cost of production and below.

As far back as last spring, before planting time, the market on broccoli was active and the demand keen. The principal buyer in Oregon, Birdseye-Snyder, went out at planting time and attempted to increase their acreage contracts. The contract price was low, about \$100 per ton field-run. This price I have found from experience is below cost of production. I have been producing three to five hundred tons per year. The broccoli market has remained firm throughout and is still good at the present time.

All industry is experiencing and fighting the cost rise. The food processors alleviate this particular problem by the simple process of whacking the price they pay the producers for the raw product. This illustration holds true in a great many other commodities. My point is that present farm surpluses are not to blame for our troubles.

From what I can see, I would say the farmer is greatly to blame for his troubles. He is in much the same position as labor years back. The farmer must organize and tell the processor what the price will be.

The soil bank proposal I believe is sound and basic. It could remove much marginal land from production, thousands of acres of which should never have been devoted to

cultivated crops. However, I doubt that even after 10 years will such a program affect total production. But, from the standpoint of conservation the program could have real value to the future economy of our Nation.

Benson is now stoutly defending the small farmer, yet from the time he took office, it has been obvious from his attitude that certain operators, and he implied the small and marginal operators, were going to be forced through the economic wringer. From strictly an economic standpoint this may be sound. But it appears to me that if they must go and adjust into a new life that some provision be made which will allow them to make the change without suffering the humiliation of being forced from their small farms. These farmers and their families are fine people and should be allowed to maintain their dignity and self-respect.

More and more small farmers in this area are taking full-time jobs until at the present time most of the farmers in Multnomah, Clackamas, and Washington Counties are what we call part-time farmers. Living close to a metropolitan area they can readily make this change, but throughout our country most small operators do not enjoy this advantage. Spending their time and energies away from their farms is not complementary to their farm operations. This is apparent to one who will drive along country roads and view these places. No doubt production is declining on these places and will continue to do so. These folks are simply trying to work out their own economic problems.

If Congress is going to legislate some action in behalf of agriculture it should be in the form of a basic and permanent program. Subsidy programs are temporary and uncertain and do little more than harm the farmers' public relations with the general public. I am sure you agree with me that their status is none too good now.

Could you possibly send me some of the material on proposed legislation from time to time—no hurry.

Say "hello" to Mrs. Neuberger. Best of luck.

Sincerely,

R. E. SCHEDEEN.

THE DALLES, OREG., January 5, 1956.
HON. EZRA T. BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR SIR: Some time ago you invited, through the newspaper, criticism or help from the farmers. We being small farmers owning and operating 30 acres of fruit (peaches, apricots, and cherries) and leasing 65 acres of wheat and scab land, have found that it has come to a point where we can no longer make a living on the place. It is necessary for my wife to work in town.

What we are interested in is the fact that wheat, cotton, and peanuts come under a heading of protected yields and guaranteed payments. We believe that it would only be fair that all subsidies be removed and let growers of these crops be obliged to make a living as we have had to do all our lives.

There has never been a time that a small rancher depending on all his own efforts has been helped by the Government, to our knowledge. As we are born Americans, also our grandparents, we think that we are as much a part of these United States as the large wheat grower or the foreigner whom we attempt to appease in the foreign countries, or should we be looked upon as the third-class passengers were on the Titanic. We are still of an open mind, ready to be shown by any Government agent who is welcome to come to our ranch and show us how we can make a living without a subsidy.

Yours truly,

EDWIN E. PHETTEPLACE.

Mr. NEUBERGER. Mr. President, I believe the point is valid. We will not

have a really adequate agricultural policy for this Nation until all farmers are treated fairly and with the same recognition for the unique problems they face. We cannot continue forever to place some farmers under the umbrella of price supports and leave all other farm families exposed to economic blizzards.

Recognition of this condition received at least lip-service from the President when he was a candidate for office in 1952. In his well-known speech at Kasson, Minn., on September 6, 1952—a speech the farmers of the Nation have since had cause to recall—General Eisenhower said:

We must find methods of obtaining greater protection for our diversified farms, our producers of perishable foods. They yield the rich variety of meat, milk, eggs, fruit, and vegetables that support our nutritious national diet. As provided in the Republican platform, the nonperishable crops so important to the diversified farmer—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops. The Democrat planners have made the diversified farmer the forgotten man of agriculture. They keep saying, "There is no way of protecting perishables except through the Brannan plan." We can and will find a sound way to do the job without indulging in the moral bankruptcy of the Brannan plan.

Perhaps that was only campaign oratory—just as probably was the other famous promise of that campaign for not merely 90 but 100 percent of parity for farm products. But while the performance on these promises has been nil to date, the principle of a farm program for the small, diversified, or specialty producer is right, and it is never too late to redeem the promises.

NINETY-PERCENT SUPPORTS NEEDED NOW TO HALT SLIDE IN FARM INCOME

Actually, of course, Mr. President, the administration has failed not only to extend our farm program, as General Eisenhower promised, to new categories of farm families, but it has not even succeeded in maintaining successful programs for those farmers who are reached by existing policies.

Let me read another letter from Mrs. Henrietta Bowers, of Harrisburg, Oreg., dated December 3, 1955, which is typical of many:

Is there anything to be done about the present farm price situation? Today, Ezra T. Benson in a radio broadcast stated that the farmers were accustomed to the high prices brought on by the war and had to come down to reality. The facts on this untruth speak for themselves; the farm income is down 7 percent from a year ago, as compared to a rise in the cost of machinery, and also increased operation cost. In short, the rest of the country is operating on inflation prices while the farmer is operating on depression prices.

My husband and I have been registered Republicans all our lives but as far as we are concerned the farm situation is an outrage to the administration.

I ask unanimous consent, Mr. President, to have printed in the RECORD a letter of February 1, 1956, from Mr. Willard M. Pell, of Pendleton, Oreg., on the consequences of President Eisenhower's insistence on flexible supports.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PELL'S ACRES,

Pendleton, Oreg., February 1, 1956.

The Honorable RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SIR: My only means of raising a family is in growing and selling wheat.

Our farm program of flexible price supports coupled with acreage allotments is a sure way of driving competent small farmers into eventual bankruptcy, or giving up to a large operator. The pinch is felt now and under this program it is certain strangulation.

I strongly advocate 90 percent of parity with a limit of \$30,000 CCC loan to any one operator. While the rest of the Nation's business basks in prosperity, we farmers are getting in a precarious position under the present farm program.

Time is of the essence to prevent a repetition of the thirties.

Very truly yours,

WILLARD M. PELL.

Mr. NEUBERGER. Mr. President, to my mind the flexible-support policy is an error, because its major premise is an error. Criticism of 90 percent supports say that such supports encourage overproduction and create vast and unmanageable surpluses. Perhaps so, and perhaps we must face up to the problem of surplus production. But it seems illogical, and in defiance of the simplest economics and human nature, to say that supports lower than 90 percent encourage lower production. Obviously, they rather encourage even more forced production on the permitted acreage, so as to make up in quantity what has been taken away in price supports per bushel.

The real effect of sliding supports, and probably their real purpose, is to reduce the receipts from growing the supported commodities to such a point that many farms will simply be forced out of production. If, as I say, that is the purpose, it is certainly being brought rapidly toward fruition.

I ask unanimous consent, Mr. President, to have appear at this point an article from the Sheridan (Oreg.) Sun of February 16, 1956, under the headline "State's Farm Income for 1956 Predicted To Be Little More Than Half of 1951," which discusses recent trends in Oregon's farm economy.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE'S FARM INCOME FOR 1956 PREDICTED TO BE LITTLE MORE THAN HALF OF 1951

Another rough year is looming on the Oregon farm front. Average net income for Oregon farmers this year may be little more than half of what it was in 1951, believes M. D. Thomas, Oregon State College agricultural economist.

Large stocks of farm products piled up in past years will hold prices down even if Congress approved the so-called "soil bank" early this year, says Thomas. Major benefits from the soil bank are "long range," states the economist, with immediate benefits likely to be felt only by Oregon seed growers who would find rapidly expanded markets for grass and legume seeds to plant the Nation's soil banks.

The soil bank would take out of production 10 to 20 percent of the Nation's cropland and save it until needed in emergency such as drought, all-out war, or by our future population.

If the acreage taken out of crops brought sufficient production cuts, farmers' incomes would improve after a while, Thomas explains. Farm prices would probably be enough better in 2 or 3 years to more than offset the decreased production, he believes. Meanwhile, substantial Government payments would be necessary to keep many farmers going while the "bank" is being established.

Already, the average Oregon farmer's net income from farming has dropped below \$2,000, compared to \$3,000 in 1951. A further drop in 1955 and prospects for some further decline may slash farm family income by nearly one-half in the past 5 years.

The average net would be down even more if the number of farm operators in the State had not decreased, says Thomas. The census shows only 54,442 farms in the State in 1954 compared to 59,827 in 1950 and 63,125 in 1945.

Many farmers on smaller Oregon farms are supplementing their income with off-farm work. The economist believes such families will seek even more off-farm work in 1956 with job prospects and salaries now favorable. Mill and factory wage rates have risen steadily for several years and now average one-third higher than in 1949.

Mr. NEUBERGER. Mr. President, perhaps a return to 90 percent supports will be only a stopgap. I have already said that in the case of wheat, the chief supported commodity grown in my State, I favor a trial of the domestic parity certificate plan. But I am supporting 90 percent supports now, so that our farmers will still be there, on the farms, by the time a long-range program for basics and for all the different areas of our agricultural economy has been worked out.

DROP IN FARM INCOME STABILIZES PRICE LEVELS?

In conclusion, Mr. President, I want to refer briefly to the administration's claim, which we hear so often nowadays, that the cost of living has been stabilized by the wisdom of its economic policies. Much is made of the fact that there has been no rise in the overall cost of living. However, while the farm bill is under consideration is an appropriate time to bring the reason for this to the attention of the Senate.

The celebrated "stabilized cost of living" is being taken out of the hide of the American farmer.

An article by Mr. Richard Rutter in the Sunday business section of the New York Times of January 29, 1956, demonstrates that "the drop in farm prices has kept the overall index in line."

Wholesale farm prices have dipped some 13 percent during this period of 1954-55—the New York Times states.

Meanwhile, metals, rubber, lumber, and other products far removed from the agricultural field have gone up steadily and in some cases spectacularly in the last year and a half.

I ask unanimous consent, Mr. President, to have this revealing article printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO INFLATION, BUT PRICES ARE HIGHER—INDEXES REGISTER STABILITY ONLY BY VIRTUE OF SLUMP IN FARM PRODUCTS—INDUSTRIAL GOODS RISE—OVERALL BALANCE THUS HIDES AN INTERNAL IMBALANCE THAT MAY CAUSE TROUBLE

(By Richard Rutter)

"This may not be inflation we're having, but it's a pretty good facsimile."

That view was expressed the other day by a leading economist. His remark was in direct challenge to a key passage in the President's Economic Report, submitted to Congress on Tuesday. That message stressed that the record boom had been accomplished without the accompanying specter of inflation.

But had it?

Almost daily, for the past few months, news columns have carried reports of significant price increases. These have occurred mainly in basic industrial commodities, but some consumer items have been affected. Consider this sampling of price increases so far this month:

United States Steel raised charges for extras, or special handling charges, applying to carbon plates, sheets, and strip. The adjustment amounted to a 3 to 5 percent price increase.

The American Viscose Corp., the Nation's largest rayon producer, increased prices of high-tenacity yarns by 3 to 5 cents a pound. The material is used for tire cords. Three days earlier, American Enka Corp. had posted similar rises.

Zinc was raised half a cent a pound to 13½ cents, quoted at East St. Louis. The increase followed two recent half-cent increases for lead, the companion metal.

Standard Oil Co. (Ohio) raised heating and diesel fuels 0.3 cent a gallon. Esso Standard Oil Co. marked up marine diesel fuel by 13 cents a barrel, with upward adjustments in other grades.

Prices of Douglas-fir lumber jumped \$5 to \$6 a thousand board-feet.

Price rises of 2 cents a pound were put into effect by major producers of titanium dioxide.

Dow Chemical Co. added 1.5 cents a pound to the price of magnesium alloy.

BUYERS VERSUS INDEXES

Few executives are more on top of the price picture than the members of the National Association of Purchasing Agents. Buying of materials is their daily concern. Each month the trade group quizzes its members on the latest economic trend. And each month since September 1954 the purchasing agents have reported higher prices.

How does this jibe with the Government's price indexes, which indicate the cost line has remained stable?

To put it bluntly, these statistics are—not intentionally—misleading. They depict only the surface picture.

Most familiar to the average person is the consumer price index, compiled by the Bureau of Labor Statistics. It is usually regarded as the cost-of-living barometer. In the past 18 months this key figure has actually declined from 115.2 in July 1954 to 114.7 in December 1955 (1947-49 equals 100). Food, of course, is a major part of the family budget; it constitutes almost 30 percent of the budget used in the consumer price index.

It will come as no new tidings to learn that the average retail prices of farm products have declined some 10 percent in the last 18 months. Every other major item in the cost-of-living yardstick—apparel, housing, gas and electricity, medical care, transportation, services, and the like—has risen

substantially. So the apparent stability in the cost of living has been due entirely to a decline in food costs.

The businessman, however, is far more concerned with the wholesale price index. This also is compiled by the Labor Department and it keeps tabs on the host of materials on which industry depends.

What has happened to this important barometer over the last 18 months? The answer, again: Apparent stability. Between July 1954 and December 1955 the wholesale price index has moved up just barely, from 110.4 to 111.3 (with 1947-49 equaling 100).

But here, too, the drop in farm prices has kept the overall index in line. Wholesale farm prices have dipped some 13 percent during this period. Meanwhile, metals, rubber, lumber and other products far removed from the agricultural have gone up steadily and in some cases spectacularly in the past year and a half.

A breakdown of the wholesale price index tells the behind-the-scenes story.

Since July 1954, basic industrial materials have gone up in price as follows:

	Percent rise
Nonferrous metals.....	25.9
Rubber and products.....	19.7
Metals and products.....	13.2
Iron and steel.....	11.6
Lumber.....	9.4
Construction equipment.....	8.7
Petroleum and products.....	6.8
Gas.....	5.1
Paper.....	5.1
Coal.....	4.3

Another way to measure the price rise of basic materials is to compare the quotations in the "spot" or cash markets. Comparing mid-July 1954, with mid-January 1956, this is the gap:

Iron, No. 2 grade, at Philadelphia (a ton):	
July 1954.....	\$60.16
January 1956.....	62.66
Steel billets, Pittsburgh (a ton):	
July 1954.....	64.00
January 1956.....	68.50
Steel scrap, No. 1 heavy, at Pittsburgh (a gross ton):	
July 1954.....	32.00
January 1956.....	57.00
Copper, electrolytic domestic (a pound):	
July 1954.....	.30
January 1956.....	.43
Aluminum, ingots (a pound):	
July 1954.....	.21½
January 1956.....	.24½
Lead (a pound):	
July 1954.....	.14
January 1956.....	.16
Zinc, East Louis (a pound):	
July 1954.....	.11
January 1956.....	.13½
Tin (a pound):	
July 1954.....	.96¾
January 1956.....	1.02¾
Rubber, No. 1 smoked sheets (a pound):	
July 1954.....	.23¾
January 1956.....	.40
Gasoline (a gallon):	
July 1954.....	.15
January 1956.....	.16

What does it all add up to? A major price movement—upward. If not actual inflation (how high is up?), this shapes up as an alarming forerunner. It is a symptom—if not a tipoff—that as of now 1956 is an economic question mark. Strong forces are in effect that may well spell serious trouble.

Mr. NEUBERGER. Mr. President, while food costs—30 percent of the average family's budget—have gone down,

the Times reports that every other major item in the cost of living yardstick—apparel, housing, utilities, medical care, transportation, and other services—has risen substantially.

Perhaps this stabilizes the overall national cost-of-living index of the Bureau of Labor Statistics. But what happens to the cost-of-living index of a farm farmer's family when the steel with which his machines are made, the rubber in the tires of his tractor, the lumber with which he repairs his barn, the fuel he burns, all keep going up and up while the price of wheat or meat or butterfat drops?

In other words, Mr. President, because the American farmer is being put through an economic wringer, this administration boasts of a stabilized cost of living. I think that on this basis, the administration's pride is hardly justified. When we have inflation in our industrial prices and deflation on our farms, we have little cause for gloating or for pointing with pride.

Mr. President, I trust that we shall enact legislation in this Congress to reverse the unhealthy and dangerous trend toward a farm depression of the last few years. We may not be able to undo overnight, with one farm bill, the dislocations and hardships which have been created by the neglect of this administration in the area of agricultural policy; but the bill which the able members of the Agriculture Committee have brought to the floor takes some essential immediate steps, and I am glad to support its major provisions.

I ask unanimous consent to have printed at the end of my remarks letters from Mr. R. W. Schaad, of La Grande, Oreg., dated January 2, 1955, and from Lester H. Abraham, of Halsey, Oreg., of December 16, 1955, which also illustrate the feeling of the farmers of Oregon that action must be taken soon, and their willingness to give independent thought and imagination to the kind of steps which, they believe, deserve study as possible roads to progress in our farm policies.

There being no objection, the letters were ordered to be printed in the RECORD as follows:

LA GRANDE, OREG., January 2, 1956.

Senator RICHARD L. NEUBERGER,
Washington, D. C.

DEAR MR. NEUBERGER: I appreciated the letter from Mr. John G. Jones, dated December 8, requesting my thoughts and opinions on the proposed soil-bank program.

I have given this subject much thought and have also visited with many farmers on the subject. Personally, I do feel that some type of an emergency program needs to be put into effect to bring the income from agriculture and nonagricultural groups nearer parity. I am not too sure, however, that the soil-bank program will be the answer. This is also the opinion of many farmers in this area, including many Farm Bureau members. It appears that unless the incentive payments for placing farmland into a soil bank are sufficiently high to compensate the landowner or operator for this set-aside acreage, it will be one of the quickest methods of bringing disaster (financially) to many farmers. This is especially true of the smaller operators. Most of the smaller operators can hardly make a go of it with the

present acreage he farms. Machinery must be utilized to the greatest efficiency (labor and capital as well) in order to provide the overhead of operation and necessities of life for the farm family.

The general opinion concerning the use of contracted acreage, should this program be placed into effect, is that absolutely no use except pasturing be made of this land. The reason for the pasturing privilege is that it is a known fact by general farmer and livestock men alike, that pastures as a whole are sadly depleted and overgrazed. If the general idea is to reduce cereal production and restore the productive capacity of the land, it could be done on more acreage at the same time by lightening the burden on all pasture lands, including the soil-bank lands.

We further suggest that the soil-bank land be rotated every 3 or 4 years in order to increase the fertility of a larger area of the farm than just a designated 5 or 7 percent.

In order to be a democratic program, we feel that it should not be compulsory. Instead of buying surplus commodities, put this amount of money into incentive payments. This system will keep the Nation's wealth in circulation instead of storage bins. It is our opinion, too, that a compulsory program will require too much administrative cost in enforcement. The most farmers are independent enough that he would rather do something voluntarily rather than by force.

Sincerely,

R. W. SCHAAD.

HALSEY, OREG., December 16, 1955.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: I am sorry that I couldn't attend the Pendleton hearing on the farm situation. A little bit about myself. I am a member of the Oregon State Farmers Union, president of the Oakville local, and a member of the Oregon State Grange. I am speaking for myself only. I own a 140-acre farm, run about 2,000 head of poultry, and 4 head of milk cows. I am 39 years old.

In 1949, I did a gross volume of \$21,000, and about 5 percent of that was net profit. Today, my gross volume will be around \$12,000 or \$13,000. Last year, for the first time in 17 years, I ended up in the red.

Up to now, I have been putting my profit back into my place in building up the soil and buildings. Two years ago I reached that point, but I had to mortgage my property to do that. The way it looks today I am beginning to wonder if I am going to meet the financial obligations that are rising higher and higher, day by day. I think that it is very important that you know the plight of the family farmer of today—the backbone of the Nation. It must be reckoned with that the farmer who is 40 years old today, and younger, is the one who is in the most serious trouble. That is, the majority of them. They have made the money, but they have plowed it all back in to raise a family and buy needed equipment.

The majority of farmers who were 40 years old 12 years ago, and who lived under the prosperous era, have paid up their mortgages and obligations, and have money in the bank.

I live in the center of the grass seed area in Oregon. Common rye grass is 4 cents a pound today; in 1953, it was 10 cents; in 1954, it was 8 cents. My 1955 crop is still in my own warehouse for lack of finding a buyer. I have about \$40 per acre in it, figuring taxes, operating expenses, depreciation on the place and machinery. It all has to come from the soil over a period of years.

I was a member of the farm bureau for 2 years when I discovered that the organization was not talking for all the farmers but for the special interest boys who are

farming the farmers. Businessmen are very highly organized, and labor is organized.

We farmers are nothing but sitting ducks waiting to be picked off because we are unorganized. That is where I feel the Government has its responsibility to the farmers, because for the farmers it is financially impossible for them to organize because they do not have the capital to operate. Some farmers always have some obligations to meet and he has to sell something at rock-bottom price to meet that obligation. I believe that it is part of the duty of the Government to act as mediator or administrator to attain fairness to all.

I am utterly opposed to the flexible program because it tends to eliminate small or family farmers, and it also fosters an autocratic type of farming. We have enough of that in the executive branch of our Government today. I am opposed to the two-price plan on wheat for the reason that the program is too burdensome. The machinery set up to operate it is too costly. Besides, why just support wheat? Why not write a farm program for all farmers?

I question the acreage-reserve plan for fear that will work hardships on family farmers. But I trust that you, Mr. Chairman, use your good judgment to what is right. I am not opposed to the food-stamp plan, but I am opposed to taking our surpluses and dumping them to get rid of them when there are hungry people in this world. That would be a very poor Christianity.

I am very much in favor of a program for all farmers based on the law of supply and demand, with 90 to 100 percent of parity, that support and subsidy to be used only in cases of difficult times, much preferring production payments over supports or subsidy; and, last, that each farmer be put on 1,800 units of production, which will cover 95 percent of the farmers. These limits are very essential in controlling surplus on the farm level. I would like to say that farmers are just as greedy a bunch as any other group of business. If they could make a million on an acre, they would holler for more. Therefore, these limitations are very important.

The present program we have today is like a rope around our neck, and we are being led around by our noses.

What I am in favor of is nothing but the old Brannan program.

My reason for the 1,800 units is simply let us farmers be our own boss; let us produce abundantly. We will govern our production when it is based on the unit system, for the law of supply and demand will control the overproduction. This program, I realize, will cost a lot of money to start, as the present administration has allowed parity to drop so far. During the war we had a unit system for deferment. One cow a unit, so many hogs, so many chickens were units. Payments for milk were put on a production basis.

Mr. Chairman, I frankly believe that if this program had been in effect today our farm economy would not be sagging as it is today. I also feel that our surplus food today is an asset, not a liability.

I also am sending copies to Senators MORSE and ELLENDER and to Representative GREEN.

Yours truly,

LESTER H. ABRAHAM.

Mr. DANIEL. Mr. President, on behalf of myself and my colleague, the senior Senator from Texas [Mr. JOHNSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from North Dakota [Mr. YOUNG], and the Senator from New Mexico [Mr. CHAVEZ], I send to the desk an amendment to the pending bill, S. 3183, which I ask to have printed and to lie on the table until called up at a later time.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. DANIEL. Mr. President, this proposal, known as the Plainview plan, is very simple. It would establish price supports of 90 percent of parity on barley, oats, rye, and grain sorghums, provided a certain percentage of the total cultivated acreage on each farm is taken out of production, over and above that set aside under the acreage reserve program in the Soil Bank Act. This percentage would vary each year according to the supply of feed grains on hand, up to a maximum of 15 percent, except that 20 percent would be laid out the first year.

Farmers would maintain their own soil-building practices on the layout land without direct payment for that purpose. Their compensation would come as a result of the 90 percent of parity on crops actually planted. Compulsory rotation of layout acreage would be required so the least productive land could not be devoted to this purpose every year. Cross-compliance as to the basic allotments would be required, but no marketing quotas or acreage allotments would be necessary on feed grains.

Farms with 20 acres or less of cropland would receive 90 percent of parity without complying with the layout requirements. The amendment would become effective upon approval by two-thirds of the producers of feed grains in a national referendum.

It is generally agreed that the two principal objectives of the present farm legislative proposals are, (1) to relieve the farmer from the price squeeze caused by the increase in the cost of production and the gradual lowering of the price of farm commodities, and (2) to reduce the surplus with its depressing effect on the market for all agricultural products. This amendment would contribute a great deal toward both goals.

As to the first, with the support levels recommended in the pending bill, farmers will be able to derive a fair return from the portion of their farms devoted to the basic crops. However, nationwide and on the average farm, the basic crops amount to only approximately 40 percent of the cultivated land. On the remaining 60 percent, the farmer is either losing money or is making such a small margin of profit that it is not feasible for him to continue. What the farmer urgently needs is another cash crop on which to realize a fair return.

This amendment would not only put more money into the farmer's pocket; it would also give him something to show his banker or his local representative of the Farmers' Home Administration, in applying for a loan. In many areas, it is not possible to obtain such a loan now because of the severe cutback in acreage allotments of the basic crops; and the lending agency cannot afford to take a chance that nonbasic commodities may be worth little or nothing when harvest time rolls around.

With reference to the second objective of this proposed legislation—to reduce the surplus of farm commodities—the simple answer, of course, would be for the farmer to stop producing those com-

modities in excess supply. However, many of our farmers have been reduced in their basic crops to the point where they have no cash and no credit. A farmer in financial difficulty cannot afford the large expenditures for new machinery required in changing from one crop to another, even where growing conditions permit, especially when the new crop may itself be in surplus within a year or two. He must have sufficient income to sustain himself and his family, so he continues to grasp for a straw. He goes on planting his land, hoping against hope that by harvest time the market for the crops he has planted will have strengthened.

Some of this land has been put into vegetables, hay, and permanent pasture; but by far the major part of it has gone into the production of feed grains—barley, oats, rye, and grain sorghums. As a result of the large production of these crops, cattle which formerly went to feed lots in the Midwestern States are now going to areas which produce feed grains. The corn farmer is being hurt, and the feed-grain farmer is going broke.

Farmers from the Panhandle and south plains area of Texas, New Mexico, and Oklahoma met recently in Plainview, Tex., and resolved to do something about this situation, or at least to ask Congress to do something about it. The plan which I am presenting is the outgrowth of that meeting. While they were producers of grain sorghums and particularly were concerned about that commodity, this problem is shared by all feed grain farmers. The program they have recommended now includes barley, oats, and rye in addition to grain sorghums.

These farmers stand ready to give up a percentage of their land without revenue for a fair and equitable price on the crops raised on the remaining land. They suggest a 20 percent reduction in 1956—that is, over and above all soil-bank or reserve acreage—because the least productive land will naturally be taken out first, and a maximum of 15 percent thereafter. However, it is well to bear in mind that this percentage is of the total cultivated acreage on each farm. Since few farmers have over 50 or 60 percent of their land in feed grains, the reduction in feed grain-acreage would run much higher, probably 30 to 35 percent the first year, and about 25 percent thereafter.

Agriculture Department figures show that nearly 70 million acres were planted to feed grains in the United States last year. Assuming a 30 to 35 percent reduction in 1956, somewhere between 21 million and 25 million acres would be laid out. After that, the layout land would run approximately 15 million acres per year.

On their 70 million acres of feed grains, American farmers in 1955 harvested approximately 2,229 million bushels of these commodities. It would not be completely accurate to say that 30 to 35 percent of this total production would be eliminated, because the farmer would naturally lay out his poorest land the first year. However, a safe prediction

should be that 15 percent, or 334,350,000 bushels, would be removed from the market. After the first year, the percentage reduction should be about the same for both acreage and production.

The amendment which we propose will fit perfectly into the soil-bank provision of the committee bill. While the primary purpose of the soil bank plan—at least, the acreage reserve portion of that proposal—is to reduce acreage planted to basic crops, this amendment will attack another serious problem—the tremendous surplus of feed grains. Actually, it would also complete the job of the soil bank plan by taking the pressure of excessive competition away from the basic crops, especially corn.

For the information of other Senators, I ask permission to have included as part of my remarks a clipping from the Wall Street Journal, showing the serious nature of this problem; a summary of Agriculture Department reports setting out feed grain acreage and production by States; and a sketch of how this plan would operate on the average farm, in relation to the Soil Bank Act.

The PRESIDING OFFICER (Mr. ANDERSON in the chair). Is there objection?

There being no objection, the article, summary, and statement were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

SORGHUM GLUT SPECTER RISES WHERE WHEAT, COTTON WERE CUT BACK—EXPANDED PLANTINGS WILL GET BOOST FROM NEW SEED THAT PROMISES 20 PERCENT HIKE IN YIELD

(By Jerry Bishop)

LUBBOCK, TEX.—Here on the table-flat plains of Texas, where the cotton country meets the wheat country, the specter of a new farm surplus is rising to plague the agricultural planners.

The up-and-coming promiser of unwanted plenty is sorghum. It's a plant with a stalk that resembles that of corn. But at its top, instead of a tassel, it has a head of grain.

Of all the burdens borne by Uncle Sam's price-propping Agriculture Department, there are none to compare with wheat and cotton. Some \$4 billion of Federal funds is now tied up in idle heaps of the grain-and-fiber pair. And, to escape the wheat and cotton scourge, the Government has, in the past few years, ordered mighty cuts in the acreage planted to them. Northward from here toward Canada, more than 20 million acres have been whacked off wheatfields. Southward another 10 million acres have been cut from cotton.

A NEAT PILE GROWING

But farm folks in these parts have made an interesting discovery. A crop of sorghum just does fine in those idled acres. And the Government price props sorghum grain. So the farmers are now growing it like crazy. And, since they are producing it faster than livestock can eat it, a neat pile of the grain is already beginning to form in the lap of Government surplus holders.

A final note of irony: Plant wizards have just come up with a new hybrid sorghum seed that will produce 20 percent or more sorghum per acre than seed heretofore used. The De Kalb Hybrid Seed Co., one of the Nation's largest producers of hybrid-corn seed, is now busy shoveling out some 10,000 bushels of the new sorghum seed to farmers in Texas, Oklahoma, Kansas, and Nebraska. Farmers will pop it into the ground this spring.

Agriculture Department production figures bespeak the frenzied activity in sorghum growing. Prewar 1939 saw farmers produce only 53 million bushels of sorghum grain. Last year they harvested a thumping 232 million bushels. Now, with the potent new seed to help out, many talk freely of 300-million-bushel crops in the near future.

Officials figures also delineate the pileup of this grain in Government hands that's now being noted nervously by Federal officials. Two years ago, at the end of 1953, Government men had an undisturbed 5.8 million pounds of sorghum grain in their bins. But at the end of 1954 they had over 756 million pounds. And as 1955 wound up they had nearly 1.8 billion pounds.

COTTON LAND, WHEAT LAND

Here in this 1 Texas county (Lubbock County) some 170,000 acres have been taken out of cotton over the past 4 years—and just about all of it planted in sorghum.

"We don't keep records of sorghum acreage on the county level," say Walter Wells of the county's agricultural stabilization committee, "but it's almost a sure bet that every acre that was taken out of cotton in this country went into sorghum." A single Lubbock County farmer, T. A. Stevenson,

switched 400 acres to sorghum just this past year.

Travel north from here into the wheat country and you hear the same story. Some 200 miles north of Dalhart, Tex., where farms are really man-sized, farmer Harold Hogue, who cultivates about 12,000 acres, put 4,600 acres of exwheat land in sorghum this past year.

To some it is disturbing spectacle. Howard S. Whitney, agricultural economist at Texas A. & M. College, figures that, counting on population and livestock growth, this big sorghum grain productivity will be fine, say 20 years from now. But for the near future he can't see how it's to be consumed. "There's just so much and no more that can be used," he says.

ANOTHER BASIC CROP

Agriculture Department men with an ear to the ground may well reflect uneasily over murmurings in these parts to the effect that sorghum is getting to be such a big boy that it ought to be considered a basic crop in the price-support machinery.

The basic staples—now corn, cotton, wheat, rice, peanuts, and tobacco—get better support treatment. The minimum at which they can be price-propped now is 75 percent

of parity—and there's a bill in Congress aimed at making 90 percent mandatory again. Sorghum at present only has a 70 percent of parity support. The Agriculture Secretary could abstain from giving it any price support at all if he wanted to.

There's no big clamor yet to give sorghum a basic status. But the idea has its advocates. Such a one is E. B. Lindsay, farmer and manager of a grain elevator a few miles north of here at Abernathy. Says Mr. Lindsay: "They should include sorghum with corn in the support program."

He, like other sorghum farmers, points out that these two crops are almost identical in chemistry and in use. Both are used primarily as livestock feed. (Basic corn will be price-propped at 81 percent of parity this year, compared to sorghum's 70 percent.)

There is no precise definition of just what it takes to make a crop basic in the price supporting world. But the nearly 13 million acres of sorghum grain harvested last year was pretty close to cotton's 16-million-plus acres. It was 7 times the 1.8 million acres harvested in basic rice, 8 times the 1.7 million acres harvested in basic peanuts, and 9 times the 1.5 million acres harvested in basic tobacco.

Acreage and production of feed grains in the United States, 1955

State	Oats		Barley		Rye		Sorghum grain		Total feed grains	
	Acreage (thousand acres)	Production (thousand bushels)	Acreage (thousand acres)	Production (thousand bushels)	Acreage (thousand acres)	Production (thousand bushels)	Acreage (thousand acres)	Production (thousand bushels)	Acreage (thousand acres)	Production (thousand bushels)
Maine.....	83	2,490	2	52					85	2,542
New Hampshire.....	2	70							2	70
Vermont.....	21	735							21	735
Massachusetts.....	2	78							2	78
Connecticut.....	3	99							3	99
New York.....	710	29,820	88	3,168	12	252			810	33,240
New Jersey.....	41	1,681	23	851	12	252			76	2,784
Pennsylvania.....	793	34,099	222	8,436	22	462			1,037	42,997
Ohio.....	1,365	70,980	65	2,502	32	656			1,462	74,138
Indiana.....	1,315	68,380	82	2,542	96	1,584	1	35	1,494	72,541
Illinois.....	3,168	177,408	140	4,760	105	1,785			3,413	183,953
Michigan.....	1,466	67,436	129	4,580	40	600			1,635	72,616
Wisconsin.....	2,807	138,946	63	2,205	44	550			2,914	141,701
Minnesota.....	4,828	197,948	1,155	28,298	112	1,680			6,095	227,926
Iowa.....	5,738	258,210	20	660	22	374			5,780	259,244
Missouri.....	1,511	60,440	436	11,554	70	980	93	2,325	2,110	75,299
North Dakota.....	1,968	55,104	3,568	82,064	585	9,390			6,121	146,528
South Dakota.....	3,872	100,672	503	9,306	321	4,012	65	1,008	4,761	114,998
Nebraska.....	2,095	54,470	200	4,000	164	1,886	713	7,843	3,172	68,199
Kansas.....	1,171	32,202	688	12,384	69	690	2,772	31,878	4,700	77,154
Delaware.....	10	375	12	396	15	270			37	1,041
Maryland.....	73	2,993	86	3,354	15	292			174	6,639
Virginia.....	183	6,954	110	3,850	22	385			315	11,189
West Virginia.....	57	2,080	14	462	2	28			73	2,570
North Carolina.....	528	18,480	56	1,652	18	252	108	3,024	710	23,408
South Carolina.....	780	21,450	18	369	15	165	16	304	829	22,288
Georgia.....	644	16,744	9	162	10	95			663	17,001
Florida.....	40	960							40	960
Kentucky.....	164	4,592	125	2,875	20	270			309	7,737
Tennessee.....	327	9,483	80	1,440	21	220			428	11,143
Alabama.....	300	7,800					46	874	346	8,674
Mississippi.....	512	15,360							512	15,360
Arkansas.....	456	15,960	30	600			61	1,372	547	17,932
Louisiana.....	107	3,852					5	100	112	3,952
Oklahoma.....	706	12,002	224	2,912	70	490	1,070	13,375	2,070	28,779
Texas.....	1,492	26,110	148	2,072	17	110	6,297	144,711	7,954	173,003
Montana.....	375	13,875	1,397	41,910	19	304			1,791	56,089
Idaho.....	209	10,032	576	18,432	5	75			790	28,539
Wyoming.....	145	4,205	129	3,612	8	88			282	7,905
Colorado.....	146	4,526	355	8,875	34	238	660	4,950	1,195	18,589
New Mexico.....	21	567	28	700	7	70	363	4,356	419	5,693
Arizona.....	11	550	188	11,280			133	6,783	332	18,613
Utah.....	39	1,677	190	7,790	8	80			237	9,547
Nevada.....	6	246	16	560					22	806
Washington.....	166	7,636	732	18,300	31	326			929	26,262
Oregon.....	301	10,327	559	17,888	15	218			875	28,433
California.....	176	5,632	1,781	64,116	8	88	194	9,700	2,159	70,536
Total.....	40,933	1,575,736	14,247	390,969	2,066	29,187	12,597	232,638	69,843	2,228,530

Source: Crop Production, 1955 Annual Summary, published by Agricultural Marketing Service, USDA.

AVERAGE FARM OF 125 ACRES

(a) Twenty-five acres of submarginal land leased to the Government under the conservation reserve program.

(b) Forty acres basic crop allotment; 10 acres of this taken out of production under acreage reserve program.

(c) Twenty acres of layout land under Plainview plan (20 percent of cultivated land excluding conservation reserve).

(d) Forty acres of nonbasic crops, part of all of which would be feed grains.

Mr. DANIEL. Mr. President, I ask unanimous consent to have the text of

the amendment printed at this point in the RECORD.

There being no objection, the amendment intended to be proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. HUMPHREY, Mr. YOUNG, and

Mr. CHAVEZ) was ordered to be printed in the RECORD, as follows:

On page 3, between lines 22 and 23, insert the following:

"PRICE SUPPORTS—FEED GRAINS"

"SEC. 104. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 204. (a) The Secretary shall make available through loans, purchases, or other operations price support at a level of not less than 90 percent of their respective parity prices to cooperators for any crop of barley, oats, rye, and grain sorghums with respect to which two-thirds of the producers of such commodities voting in a referendum held by the Secretary for such purpose vote to approve the program provided by this section. Such referendum for the 1956 crop shall be held not later than May 1, 1956, and for any subsequent crop not later than January 1 of the year in which such crop is planted.

"(b) The provisions of subsection (a) shall not apply in any year to commodities produced on any farm on which the cultivated acreage exceeds 20 acres unless—

"(1) there is withheld from cultivation, grazing, and all other revenue-producing uses an amount of acreage on such farm (in addition to any acreage placed in the acreage reserve under subtitle A of the Soil Bank Act)—

"(a) in the case of 1956 crops, not less than 20 percent of the cultivated acreage on the farm;

"(b) in the case of 1957 and subsequent crops, not less than such percentage of the cultivated acreage on the farm as the Secretary determines may be so withheld without impairing supplies of agricultural commodities needed to meet domestic and export requirements;

"(2) the acreage withdrawn from use in accordance with paragraph (1) has not been withdrawn for the purpose of such paragraph in any prior year, until all other acreage on such farm has been so withdrawn for prior years.

In determining, for the purposes of this section, the total cultivated acreage on any farm or any percentage thereof, there shall be included all acreage regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage), and there shall be excluded any acreage covered by a contract entered into under subtitle B of the Soil Bank Act. The percentage proclaimed by the Secretary under paragraph (1) (b) shall not be more than 15 percent, and shall be uniform for all farms. Such proclamation shall be made prior to the holding of the referendum under subsection (a)."

INACCURATE STATEMENTS ATTRIBUTED TO CERTAIN REA COOPERATIVE OFFICIALS

Mr. CASE of South Dakota. Mr. President, I desire to refer to an article written under the byline of Nat Caldwell and published in the Nashville Tennessean. The article was printed in the Appendix of the daily RECORD on February 8, at the request of the distinguished Senator from Montana [Mr. MURRAY]. The article includes some statements alleged to have been made by Mr. Ancher Nelsen, Administrator of the Rural Electrification Administration, at the recent meeting of the national association, at St. Louis, Mo.

Mr. President, at the outset I wish to state that if I had been in the position of the distinguished Senator from Montana, and if I had read an article of that

sort, and if I had been chairman of the Committee on Interior and Insular Affairs, which is concerned with power and similar matters, probably I would have called attention to the article, too.

However, I wish to say that the statements quoted in the article and attributed to certain officials of REA cooperatives in the State of South Dakota are untrue, as has been stated to me by several of those who attended the session.

I wish to call attention to the statements on that score, and I desire to say something about Mr. Ancher Nelsen.

The article, which appeared in the Nashville Tennessean on January 29, 1956, included, among other things, these paragraphs:

TO SILENCE MANAGER

A South Dakota cooperative president said that Nelsen appeared before his organization's board and warned them to silence its manager, long a critic of Nelsen's REA policies.

"Make Virgil Hanlon keep his slingshot in his pocket, if you want any help from me," the president, Alfred J. Pew, Madison, S. Dak., quoted Nelsen.

Hanlon, manager of the East River Electric Cooperative Association, has been active on key committees of the National Rural Electrification Cooperative Association. He was a strong supporter of the Colorado-Ute resolution.

The articles contain this further paragraph.

The co-op now is applying to the Bureau of Reclamation for an additional power supply from Fort Randall Dam. "Nelsen said that we had no chance with the Bureau if he refused to help us and he would so refuse, if Hanlon was active," Pew said.

It happened that I was going through the city of Madison, S. Dak., on the 16th of February just past. That is the residence of my distinguished colleague, the senior Senator from South Dakota [Mr. MUNDT]. I stopped at the office of the East River Electric Cooperative for the purpose of conferring with Mr. Hanlon and leaving with him some information which I had assembled with respect to the charges for power from the Missouri River Basin projects. I found that the directors of the East River Electric Cooperative Association were in session. They invited me to sit with them for a time, both before and after lunch.

During the time I was present the matter of this article came up for discussion, and Mr. Alfred J. Pew, president of the association, flatly stated, in my presence, and to the group there, that Mr. Nelsen did not make any such statement as he, Pew, is quoted in the article as having said Mr. Nelsen made. I refer to this sentence:

"Make Virgil Hanlon keep his slingshot in his pocket, if you want any help from me," the president, Alfred J. Pew, Madison, S. Dak., quoted Nelsen.

I refer also to the following sentence:

"Nelsen said that we had no chance with the Bureau if he refused to help us and he would so refuse, if Hanlon was active," Pew said.

Both those quotations attributed to Mr. Pew were referred to during the discussion, while I was present at the meeting. Mr. Pew very definitely said that

he made no such statement. That is, he did not quote Mr. Nelsen as having made any such statement.

I think the discussion indicated that, in a somewhat jocular vein, Mr. Nelsen did refer to Mr. Hanlon, and said, "Virgil, keep your slingshot in your pocket, and let us get down to business," or something to that effect. But it was in a jocular vein, and the import of the statement, as it was understood at the time, was that they should address themselves to the matter at hand; that there was no threat; and that there was no statement to the directors present that they should "make Virgil Hanlon keep his slingshot in his pocket."

In addition to Mr. Pew, the president, there were present at the meeting which I attended Mr. Dwight Dickason, vice president of the East River Cooperative, from Castlewood, S. Dak.; Mr. William Raabe, of Tyndall, S. Dak., chairman of the Operations Committee; Ralph Dennis, one of the directors, from Canova, S. Dak.; and Mr. Arthur Jones, secretary of the East River Cooperative, whose home is at Britton, S. Dak.

Mr. Jones was the only one of the group who thought to read into anything Mr. Nelsen said any suggestion of disfavor. The others were unequivocal in saying that they did not know how this article came to be written in that way. Mr. Pew used the phrase "I do not know how they got it screwed up that way." I talked with Mr. Pew on the telephone the other day, and he confirmed what I have said, that Mr. Nelsen did not make the statements attributed to him.

Mr. MUNDT. Mr. President, first of all, I am very happy that my colleague happened to be present at the meeting of the East River Electric Cooperative board of directors. My hometown is the headquarters of the East River Cooperative. I am glad that my colleague has brought to the Senate this direct information, correcting the false impression which was conveyed by the article in the Tennessee newspaper.

I should like to supplement what my colleague has said by saying that when I read the article in the Appendix of the daily RECORD I wrote to a number of friends of mine in the REA in South Dakota, inquiring what it was that had given rise to the article, and what all the furor was about. I have received a few letters upon which I should like to comment briefly. The first is from Mr. Harry C. Anderson, of Lily, S. Dak. He is vice president of the board of directors. He attended the meeting at Madison, to which my colleague has referred, where this subject was discussed a week or two ago. In reply to my letter he says:

LILY, S. DAK., February 15, 1956.

Senator KARL E. MUNDT.

DEAR FRIEND: Several letters have come out of your office in regard to a newspaper article which appeared in a Tennessee paper and brought to the attention of the Senate by a Senator from Montana. Apparently you picked the East River Electric Cooperative directors at random in mailing out your letter, as several of us did not receive the letter. However, one of the directors who received the letter showed it to me today. I feel, as vice president of the board of directors and chairman of the joint commit-

tee, that I should write you concerning the matter referred to in your letter.

First, let me say Ancher Nelsen was asked to meet with us in St. Louis. This request came from the East River board. The meeting took place in the hotel and I was present through all of the discussion. After Mr. Nelsen was briefed on the difficulty we are having in coming up with a master contract with the Bureau, Mr. Nelsen offered the services of his assistant, Ralph Forman, who was present at this meeting, in helping us get the contract in a final and an acceptable form.

In leaving the room Mr. Nelsen looked to Mr. Hanlon and made some remark about Mr. Hanlon keeping his slingshot in his pocket. I don't think anything was said in the discussion to prompt this remark, as we had a very friendly discussion. And the remark was made in a joking manner. I did not take it very serious although some of those present take a different attitude, but that is a matter of personal opinion.

Ralph Forman was in Madison today attending a special board meeting carrying out the service that Ancher Nelsen said he would and I believe that considerable progress has been made on the master contract.

As far as I am concerned the news article carried several misstatements as well as being slanted.

Now, I don't have your letter or the part of the RECORD that you mailed to refer to at this time. But I want to make this point clear, that as far as I can determine the relationship between the East River board and Ancher Nelsen is no different now than it has been in the past. We may not be in full agreement on everything, but I am sure we respect each other just as much for that.

You probably will receive letters from some of the other directors too, so this matter gets cleared up to your satisfaction.

Thank you very much for your interest and I hope this has helped straighten out some questions you asked.

I remain, as ever,

HARRY C. ANDERSON.

Mr. Anderson describes the position Mr. Jones took in much the same manner as my colleague has described it.

Mr. CASE of South Dakota. Mr. Jones agreed that the statement was not made in the way in which it was quoted.

Mr. MUNDT. That is additional confirmation as to the reaction of those who actually heard the statement.

I think it should be emphasized that here is a man who heard the discussion, who attended the meeting in St. Louis, and who is vice president of the East River Electric Cooperative of South Dakota. He says:

As far as I am concerned the news article carries several misstatements as well as being slanted.

I also received a letter from another member of the board, Mr. William Raabe, of Tydal, S. Dak., dated February 16, 1956. He says:

TYNDALL, S. DAK., February 16, 1956.

Senator KARL MUNDT,

Washington, D. C.

DEAR SENATOR: I received your letter and copy of the CONGRESSIONAL RECORD which I was glad to receive but was somewhat shocked when I read some of the statements made. I was present at the meeting when Mr. Nelsen met with the board of directors and Manager V. T. Hanlon, of East River Power Cooperative, Inc.

At this meeting we talked over matters concerning the master contract that East River Power Co-op is entering into with the USBR and at which time we asked Mr. Nelsen for some help, and it was at this time

when Mr. Nelsen said he would do all he could to help us and also offered the help of Mr. Ralph Forman to get matter cleared with USBR and it was at this time when Mr. Nelsen said to Manager Hanlon to keep his slingshot in his pocket till we see what we could get done, but my thinking was that Mr. Nelsen said this in a pleasant, joking way. I also would like to mention that Mr. Hanlon has been disappointed with the USBR in getting things done and I am sure he has the backing of the entire board, which feel the same way.

In regard to Mr. Nelsen's meeting with the resolution committee, I have no comments to offer as I did not meet with this committee.

With personal regards, I remain,

Sincerely yours,

WM. RAABE,

Director, East River Electric Power Co-op.

I have a third letter, from Mr. Dwight Dickason, of Castlewood, S. Dak., another member of the board. He writes along the same line. He says:

CASTLEWOOD, S. DAK., February 16, 1956.

Senator KARL MUNDT,

Washington, D. C.

DEAR KARL: It just so happened that your letter came just ahead of a special board meeting of East River, and this incident described in the CONGRESSIONAL RECORD was given a thorough airing. It so happened that Senator CASE was in town and was invited to sit in.

As to the slingshot incident just as Mr. Nelsen was leaving the room, as I remember his words and with a smile on his face the words he used were "See that Virgil keeps his slingshot in his pocket." However, we had not been discussing bureau power allotments, we had been discussing our master contract.

In the discussions that ensued yesterday both Mr. Pew and Mr. Jones denied making such statements. As to what happened in regard to the other activities mentioned I would not know. You may check further with Senator CASE as to the reactions of the board when this incident was mentioned.

Respectfully yours,

DWIGHT DICKASON.

I think it is important to clear up this matter, because I do not know where the editor of the Tennessee newspaper got his information. I know our good friend from Montana [Mr. MURRAY] put the editorial into the RECORD in good faith, because he saw it in the newspaper and had no reason to dispute its accuracy. However, it is important to correct this statement, because it may be designed to drive a wedge between the REA co-ops in South Dakota and the REA Administration in Washington. Quite the contrary from the implication in the article is true. We have had a most successful experience with REA in South Dakota from its inception. I should like to point out, for example, that REA electric loans in South Dakota during calendar year 1955 reached the highest level since 1950. They totaled \$5,300,000. This was \$2 million more than had been made in either of the last 2 years of the previous administration.

In the telephone program, the REA record in South Dakota is even more impressive. It is a matter of record that since the present administration took office, telephone loans in the State have increased 360 percent.

Quite obviously, with a record like that, no right-thinking official of REA in South Dakota, and no REA official in

Washington would be critical of Ancher Nelsen or the administration of the REA program.

I should like to point out further that in South Dakota there are 34 borrowers of electric loan funds. It is also true that at this time there is only one South Dakota borrower who has an application on file with REA to borrow additional money. More than anything else, this indicates the good service and prompt attention REA is giving the needs of its borrowers. It also indicates the success with which REA is being operated and administered at the South Dakota end of the line.

Adequate funds are available for the rural electric systems of South Dakota to carry on the work of extending their lines and improving their service. As a matter of fact, they have a total of \$10 million in unadvanced loan funds, which they may draw down at any time to meet their needs.

Not one of the South Dakota borrowers is delinquent in paying back the money borrowed from REA. The borrowers maintain this record in the face of mounting debt payments. This can be attributed to the administration's policy of selective help to borrowers, that is, providing help where it is needed. It can also be attributed to the splendid, efficient administration of Ancher Nelsen.

The REA record of this administration is one of acceleration. Nowhere is there evidence of a slow down, but on nearly every front there is evidence of speed up and of close attention to the needs of borrowers.

I believe that fact needs to be spread on the record, so that those who might have formed a false impression from an inaccurate statement reported in a Tennessee newspaper can have the facts not only from the record of performance in South Dakota, and from direct firsthand information given men and my colleague, when my colleague attended the meeting of the East River Cooperative, but also from the letters sent to me by the directors of cooperative in South Dakota who attended the meeting and who heard make the statement which was referred to in the newspaper.

Mr. President, in the West we have the faculty sometimes of saying things in jest or with a smile on our face which, when reduced to cold print, do not mean what they were intended to mean when they were said. I have heard Mr. Hanlon and Mr. Nelsen kidding each other a great deal, and that is quite understandable, Mr. Nelsen being a Republican, and Mr. Hanlon being a Democrat. Neither one of them was engaged in playing politics. When they kid one another it is all done in good fun and with a smile on their faces, and it is so understood by all who have been associated with them. It is certainly not cricket to put down in cold print a statement taken out of context, devoid of the smile, and devoid of the tone of voice, and imply that REA is assuming a dictatorial policy in South Dakota, because such is definitely not the case.

Mr. CASE of South Dakota. I appreciate the contribution which my colleague has made to the debate and his

comments, as well as the letters which he has read into the RECORD.

I wish to say, in addition, that I know that Ancher Nelsen has been exerting every effort he appropriately can exert to arrive at a solution of the problem of the contract which has existed between the East River Cooperative and the Bureau of Reclamation, which is the agency selling power from the Missouri River Basin dams.

I know that Mr. Nelsen has spoken at various times with me about the matter. He had his representatives at Madison on the day to which allusion has been made. To the extent that the Rural Electrification Administration has been able to help the East River Cooperative in getting the contracts approved in the way the East River Cooperative desired to have them approved, the REA has done so.

I should like to conclude my remarks by saying that I appreciate the presence on the floor of the distinguished Senator from Montana [Mr. MURRAY]. I had told him I would say something about the matter. I wish the RECORD to be perfectly clear that I know he inserted the editorials in the RECORD in good faith, and had no knowledge that the incident was not as it was reported.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. MURRAY. Of course, it is obvious that I have no personal knowledge of the accuracy or inaccuracy of the statement contained in the newspaper. It is a nationally known journal, and I assumed that it printed what it thought was the truth. I shall be glad to call to the attention of the editors of the newspaper the statements the Senators from South Dakota have made and to have the editors determine whether they will accept the correction.

Mr. CASE of South Dakota. I appreciate very much the statement by the distinguished Senator from Montana.

I conclude my remarks by asking permission to insert at this point in my remarks extracts from an address by Mr. Nelsen, Administrator of the REA, as printed in the February 1956 issue of Rural Electrification.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

Today in the year 1956, I am sure every one of us is hopeful that the next 20 years will parallel the success of the past. Therefore, I think it is most appropriate that we now look to 1976.

The great strength of our country was developed by our people. They weren't looking for a welfare state. They were looking for the opportunity to think for themselves and to do things for themselves. There is much to help guide us as we adjust our course toward 1976.

Today we sometimes see signs that the old-time guiding principles are being forgotten. Yet these principles were so effective for those early champions of democracy.

But consider, for example, what the REA program would have been like if it had just been a big government project, if it had not been built upon the foundation of local independence. Suppose, for a minute, that the REA program had been a power program laid down by bureaucrats from Washington—as some have advocated. Your ideas, your judgment, and your independence in that

case would have been excess baggage. Unwanted and unused. Do you think you would be where you are today with a program like that? We didn't let it happen and we mustn't.

During 1955 average monthly usage per farm served by REA borrowers was 245 kilowatt-hours. This means that farm usage has doubled in the last 7 years. We have barely made a start at what can be accomplished in adapting electricity to farm production.

In face of the increasing consumption, what should be our attitude toward promoting greater usage? It is, of course, vitally important that you encourage increased usage not only as a service to your consumers but also as a means of balancing your load and thus improving your load factor. This is a sound way to increase your net revenues.

Today the rural electrification plant representing the REA program is relatively new despite the 20-year age of the program. The average age for electric distribution plant today is about 9 years. Consequently, wear and tear has not been of much significance so far. You have had to spend very little for replacements and give very little attention to maintenance. Experience with outside plant in operation for 9 years has been that the wearing out rate is less than one-fifth of 1 percent.

This brings us to the point that is of concern to you as you look toward 1976. Your plants are just now reaching the age at which the wearing out increases sharply. By 1976 it will be 15 times the present rate.

On the basis of the loads we can see developing in the next 20 years, new generation plants and related transmission will have to be built by your power wholesalers in the amount of an estimated \$3 billion.

We can expect that only a part of this new capacity will have to be built with REA financing. On the assumption that the generation and transmission construction within the program continues at approximately the present rate, you are likely to be looking for loans approaching a billion dollars.

Now then, add these generation and transmission needs to the distribution needs and you have about \$6 billion.

In other words, our rough calculation indicates that your systems will need approximately twice as much capital in the next 20 years as you have had in the first 20.

Let us think of this point in terms of the challenge it presents to you for the next 20 years. In many respects it is a greater challenge than that which faced us two decades ago. If it took good farmer commonsense to get our program started, it will take even more of that same good commonsense to carry on successfully.

In the country today there are about 300,000 unelectrified farms. Nearly all of these can be electrified in the next 5 years. But it is up to you. At the present time, your co-ops are connecting 8 out of every 9 farms being connected.

Undoubtedly, there will be a few farms which, because of isolation or other reasons, will not be electrified, but these ought to be mighty few.

Cost of power is a highly important factor in our financial operations. And as we look at the power-cost picture today, we must recognize that the cost of the essentials to electric power production—materials, supplies, labor, taxes, and financing—has risen sharply during the last 10 years.

What effect will this have upon your operations?

System improvements are going to require more and more of your attention as the consumption we spoke of a few minutes ago continues to rise. And at the same time, you are seeing your return per kilowatt-hour decreasing as consumers through their increased usage move into lower rate blocks.

Next, let us take the matter of power supply and procurement.

Because of the importance and complexity of power-supply situations, REA concentrates more attention on this and related aspects than any other one thing. Right at the top of our electric organization, we have men assigned to do nothing but follow nuclear power developments, for example. And we have made it a specific assignment to help borrowers with power contracts.

By working with one group of cooperatives, new contracts were negotiated that will save the co-ops \$100,000 in 5 years. Power costs have been reduced from a wholesale cost of 1 cent a kilowatt-hour in 1941 and 8.2 mills in 1951 to the figure of 7.6 mills for 1954 and down to 7.4 for 1955. Part of this reduction is due to improved load factor, but part of it is also due to improved wholesale contracts.

We all need to remember that the availability of low-cost hydro power in many sections of the country is limited.

Atomic energy is a new and exciting possibility for rural electrification. But many of those who are authorities in the nuclear power field believe that it may be at least 5 and possibly 10 years before competitive cost power is produced from reactors.

Nowhere is commonsense more urgently needed than in the consideration of power supply. There are great benefits springing from the ownership of a generation plant—adequate supply, independence of operations, the satisfaction of being your own boss which is a traditional aim of all good Americans. But in the consideration of powerplants, we need to look at the act itself. Nowhere in the act is the administrator permitted to use as justification, pride of ownership or prejudice. We shall, however, proceed to finance powerplants when the interest of the farmer can better be served by so doing.

Let us now take the matter of public relations. I am sure all agree on the importance of this. The picture others have of your cooperative and its activities will play a big part in how you fare on the road to 1976.

You have often heard me say that I believe one of the greatest threats to this program is the politics that is sometimes played with it.

I am sure we have all had occasion to see co-ops, now and then, fall victim of political intrigue. Partisan advocates can—and have—split co-ops wide open. I know of one instance where the co-op—or I should rather say in this case, the farmers—stands to lose a valuable source of power simply because somebody tried to use this program for political advantage. I know of another instance where the contribution of a co-op mailing list to one political faction, but not to another, cost the co-op and the program public support that was badly needed. * * *

Perhaps our best guide in public relations is the law itself and the legislative history that accompanied its enactment. The act calls for the extension of rural electrification and telephone service to our rural people. And that has to be our objective. What's more, it is commonsense that the farmer and the general public can understand and fully endorse. It is your soundest course to 1976.

Applications for telephone loans are coming in this year at a slightly higher level than for any year in the program to date. Our telephone loans are up and our backlog is the lowest it has ever been. We have made more than \$40 million in loans during the last 6 months, the largest amount in any similar period of the program.

During the 1956 fiscal year, we expect to reach the \$80 million telephone loan program we had set as our goal.

Overall processing time for loans is about half of what it was a couple of years ago and we are advancing funds at nearly double last year's rate. That means telephone building is proceeding at new record levels.

We have been able to cut the number of delinquent telephone borrowers from 33 at the end of December 1954 to 23, even though a larger number of borrowers are now in a debt-service status.

When they come to us and ask for REA loans to provide modern dial service to the farmers in their areas, we make the loans, provided feasibility and the requirements of the act are met.

Similarly, when a cooperative or mutual can do the job, we give them all the help we can. We hope that no one will attempt to pit cooperatives against independents. This will tend only to slow down expansion of rural telephony.

I am pleased to report to you that the President in his recent budget message indicated strong and vigorous support for the program. The new budget provides for approval of loans for electrification in the amount of \$185 million in 1957, which is the same as that for 1956 and \$20 million higher than in 1955. It also provides for approval of loans for rural telephones in the amount of \$80 million, the same as for 1956 which is \$27 million higher than for 1955.

The President said that we are going to go right ahead with our policy of meeting the farmers' needs for electrification and telephones. And I likewise pledge you that our efforts of the past 3 years will continue and that we will work without fear or favor in the interest of the American farmer.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (S. 3183) to provide an improved farm program.

Mr. HUMPHREY obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield for the purpose of suggesting the absence of a quorum?

Mr. HUMPHREY. I shall be glad to yield for that purpose, if that is the Senator's wish.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I rise to speak on the farm bill, S. 3183. In doing so I wish especially to commend and to thank the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] for his steadfastness to the duties of his committee, for his diligence, and for his perservance. I know of no man who has given more time, more thought, and more hard work to the preparation of legislation in one of the most complex and difficult fields than has the senior Senator from Louisiana. I think it is fair to say that the Senate Committee on Agriculture and Forestry has performed its task of seeking information relating to the problems affecting our farm economy with the utmost care and steadfastness of purpose.

As the Senate knows, the committee has conducted hearings in many States. For weeks and weeks hearings were held in Washington. There were many hours

of executive sessions. There have been prolonged discussions with representatives of the major farm organizations as well as with official representatives of the Department of Agriculture.

I am particularly pleased to note that the farm question is one which has received more public attention than has almost any issue which has been before the Congress.

This debate may well be one of the most crucial of the debates of this session of the Senate. It is another milestone in the historic struggle of American agriculture for equality of treatment in our economy.

Mr. President, I intend speaking at considerable length during this debate, because I am convinced that there is an urgent necessity to clarify the atmosphere and to correct the historic record of much of the barrage of misinformation, calculated or through sheer lack of knowledge, which has distorted in the public eye the position of the American farmer and the justice of his fight for economic equality.

To my colleagues who are present I may say it is my intention not only to speak this afternoon, but, if permitted, to speak tomorrow, and possibly I shall have to ask to speak even later than that. I have prepared a very substantial record with much detailed documentation. This record runs to more than 350 pages, and it is my intention to present every word of it.

As one Senator, I have witnessed a barrage of advertising, propaganda, and so-called public relations on the farm question which is without precedent in American history. This propaganda, emanating not only from political circles, but from the Department of Agriculture, has done much to confuse public thinking on the vital economic and social issue of agricultural legislation.

It is my sole purpose in the opening stages of the debate, insofar as my own participation is concerned, to set the record straight, to get the facts before our colleagues, and, hopefully, to get the facts before the American people.

I regret the necessity of using this forum to expose false assumptions which have been accepted by the American press as fact, primarily because of the authorship of some of this misinformation coming from official circles in the Government. Yet, I feel there is such a necessity, if we are properly to understand just what is really at stake in our forthcoming vote.

I champion American agriculture upon the floor today, as I have repeatedly in the past and shall continue repeatedly to do in the future, because it is a minority—an economic minority and a population minority—a mistreated and neglected minority. It is a minority less organized than most, with, by its very nature, less opportunity to use other means of protecting the inherent rights of those engaged in farming to share fully in the privileges of our democratic society, economically as well as socially.

It lacks the power of concentrated big money to wield influence in its behalf.

It lacks the power of organized economic bargaining to protect it from exploitation in the marketplace.

Yet it has on its side the greatest power of all, namely, the power of justice—of common American justice. If the American people can but know the facts, then understanding the facts, they can translate and relate their views to their representatives in Congress, and justice will prevail.

Our democracy's blessings are intended for all the people. For a democracy to survive, its economic opportunities must be shared by all the people.

My concern for agriculture is basically justice for our farm families, and the strengthening of our democracy by keeping the balance of economic opportunity from being tilted too far in any one direction.

I digress to say that the first moral requirement of Government is justice to its citizens—political justice, social justice, economic justice. The facts of today can lead but to one conclusion: That the American farm family is not being given economic justice, or is not even being afforded the opportunity to obtain economic and social justice.

My concern for farmers is the same concern I have always held for any underprivileged group needing someone to speak out in their behalf. It is with considerable regret, therefore, that I sometimes note a lack of concern for the plight of farm families among some of my good friends who are eagerly crusading for justice to all minorities.

It is with even deeper regret that I see great organs of the American press taunt some of us who dare champion the farmer as mere self-seeking politicians, capitalizing upon the bad odor they themselves have created in the public's mind around the honorable word politician.

If they must persist in refusing to give some of us credit for deeply held convictions, let them at least examine the facts to see if our motivation is politics alone.

Farmers are becoming increasingly smaller in number and in percentage of our population, and therefore decreasingly important politically if that is man's only concern for his fellowman.

Frankly, it is merely simple arithmetic. There are not as many people on the farms today as there were a few years ago; and from a point of view directly related to the votes, the votes are not there. Therefore, I think it is quite evident or obvious that what we are really talking about is fair play, equality of treatment, and economic justice for each and every American; and in this particular debate, for the American farmer.

The influence of the American farm population, politically and economically, is but a shadow of that of the great industrial giants of our day, or even, of the vast numbers of our working men and women banded together in organized labor. The political reward for championing the cause of the farm population is even less—unless a man is dedicated to justice and feels compelled to reckon with his own conscience.

Mr. President, in past years I have traveled the length and breadth of the land, visiting hundreds and hundreds of farm homes. I have traveled the highways and byways of the State of

Minnesota as much as, and in some instances, I am sure, more than, most of our citizens. I have attended the family picnics, community picnics, the meetings of farm bureaus, Farmers' Union locals, the Grange, and cooperatives. I think I know those farm people. I have listened to their expressions of their problems. I have attended their community gatherings. I have spoken at their REA meetings. I have been in their homes. I am happy to say that my wife and children many times have been with me.

During the past year I have concentrated more of my time and attention upon the problems of agriculture than upon any other single aspect or area of the legislative responsibility which is mine in Congress. I am proud to be a member of the Committee on Agriculture and Forestry. I want the record to be quite clear that long before I came to the Senate I was deeply concerned about the economic and social challenges and problems which faced our farm families. I am very proud to say that my father before me, as a State legislator, a city official, and a merchant, was equally concerned.

As mayor of the city of Minneapolis, it was my privilege on several occasions—yes, on many occasions—to visit with, talk to, and participate with many farm groups that came to the city of Minneapolis. Furthermore, I would travel from time to time in the outlying areas of our State, representing my city of Minneapolis at the great agricultural gatherings.

Therefore, let any of the critics and cynics go out with me among the farm people and spend as much time as I have spent with them. Let the critics and the cynics see at first hand the basic worth of the farm people as individuals; as human beings instead of statistics. Let them come to know the sturdy character of these fine Americans, and to know of their devotion to farming as a way of life, rather than simply as a way to make a living.

Any Member of the Senate who would have attended the hearings held before the Committee on Agriculture and Forestry would have been proud to witness the high caliber of citizenship and the intelligent participation of our farmers as they came to give their testimony. It gave me new faith in American democracy. It made me understand more clearly and more precisely the great secret power of this country, namely, the maturity of judgment, the good commonsense, the sense of justice and fair play, which exist in the great body of American citizenry.

If those who are critical or cynical will review and study history, in our own country and abroad, they will gain an understanding of what a stabilizing factor the people of the soil and a sound agriculture have proven to be to countries and governments. Let them review the writings and reflect on the vision and foresight of Thomas Jefferson and others of our early founders, who recognized so well the vital importance of farm families to the preservation of the kind of democracy they were creating.

I remind the Senate that no society ever was destroyed when its agriculture

and its farm families were given an equal opportunity to share in the fruits of their toil and in the benefits of organized society; or, conversely, that every nation which has gone down the pathway of totalitarianism or tyranny, or every country or civilization which has been destroyed, has first witnessed or experienced the exploitation of its human resources, and then of its great natural or physical resources.

When the people are taken care of, and when the people and their governments will manage and preserve and safeguard their God-given natural resources, we have the underpinnings of a strong, sturdy, and wholesome society.

The great responsibility of this Government is ever to be concerned about our people; to be concerned about justice and fair play for our people. Then the Government and the people, working together, will preserve, conserve, and develop the great God-given resources of land, water, timber, and minerals with which this country is so abundantly blessed.

And then let those who are critics of our farmers or those who attempt to speak up for our farms tell me that farm people are not supposed to share equally in our economy, that they are supposed to be just "second-class citizens." Or let them review the blunt record of facts and figures I intend to present, and then tell me farm people are sharing equally in our economy.

I offer these introductory remarks merely to emphasize how deeply significant the issue before us really is.

It is more than an economic issue. It is an issue which tests the whole moral fiber of the Senate of the United States, the sense of fair play and equal treatment which is supposed to be characteristic of the American system.

What is involved is far more than a matter of who is going to get farmers' votes next November, and who is not. No man can predict that. Farmers, thank God, are independent-minded people. They have been a balance wheel in this country and in every other country for generations.

It is far more than asking a beneficent government to hand out a relief "dole" to needy farm people. It is really a matter of preserving the very keystone of our democracy by proving to ourselves and to the world that American democracy offers equal opportunity for rural resident and city resident alike and that justice does not stop at our metropolitan boundaries.

In a democracy, economic justice is as vital as legal justice.

We who are fighting for justice for agriculture must fight an uphill battle against growing cynicism, misrepresentation, and regrettably, at times, outright exploitation.

There are those who would prefer, for their own selfish ends, seeing a large segment of our population at their economic mercy.

There are others who just do not care, as long as they are doing all right themselves. At least, it would so appear. I hope that I am most wrong.

There are others so smugly blind that they refuse to look beyond their pre-

conceived notions, and repeatedly parrot unfounded assumptions and generalities that have been dangerously harmful, not only to agriculture but to our entire country's economy.

It is regrettable, indeed, that in a country so dependent upon agriculture as a basic source of sustenance and raw material, the greatest body of the opinion-influencing press and periodicals of this country have let themselves fall into one or the other of those three categories.

Now I should like to outline the aims of this debate insofar as my participation is concerned.

Perhaps this debate should be regarded as an opportunity to educate our non-farming people, not only about the problems of farm people, but of their own stake in those problems. There really is not a separate farm problem in America, Mr. President. It is a national problem, a national question. Every part of our economy is interdependent. We all rely on one another. This great productive American economy cannot long endure if it finds itself out of balance, with certain segments on the ascendancy and other segments moving toward recession and depression.

Perhaps this is an opportunity to correct much of the misinformation which is still being given out across the countryside. I read it every day, Mr. President, and I have heard a great deal of it over television, even within recent days, under official auspices.

In any event, it shall be my intention during my participation in the debate to correct the misconceptions.

My remarks will be divided into sections covering where we really stand in American agriculture today, how we got there, how agriculture's plight threatens the rest of our economy, and what we can and should do about it.

In discussing these topics, I hope to explode a lot of myths—and, may I say, very cleverly designed myths which have been foisted upon the American people month after month and year after year.

I intend to challenge many of the assumptions so blindly accepted as fact today—usually by people who are more willing to echo wisely the mouthings of others which just happen to readily fit their own comfortable little niche of preconceived impressions, than they are willing to put such assumptions to the careful scrutiny of test against facts and experience.

The first myth which has gained too much acceptance in this country is the idea that all this talk of farmers suffering economic hardship is just hogwash; that, really, farmers are mostly riding around in Cadillacs and puffing 50-cent cigars—the kind of impression Harper's magazine recently tried to create, and others have contributed to. It is just about as true as having farmers think everyone in New York lives in a penthouse and gads around nightclubs all night, just because that is the way they see it in some movies.

Next, the idea that 90 percent of parity is either "rigid" or "high."

Our good friends in the working press have been told it time and again, and I can well understand why on occasion

they have had to accept, as fact, the argument that 90 percent of parity is "high" and "rigid."

If newspapers think that, they can say so as views of the editors in the editorial columns. I want to set the record straight, so far as news columns are concerned, to the effect that 90 percent is neither "high" nor "rigid," and I shall spend some time in that discussion. It is just as accurate as the different media of communication—radio, television, the press, and periodicals—labeling off-shore oil as tidelands when we were talking about something miles behind the ebb and flow of the tide. Yet when we discussed the off-shore lands, the word "tidelands" was continually used, even though it was not a subject of debate.

Yet it is these devastating distortions which have helped rob the American farmer of justice at the hands of his own society. I have yet to read the newspaper that defines FHA housing loans as "high" and "rigid," simply because the Government guarantees the banker 90 percent of such loans. Now, if a 90-percent-crop loan by the Government to the farmer is "high" and "rigid," then why is not a 90 percent guaranteed mortgage loan to the bankers for the building of a home labeled "high" and "rigid"?

Then there is the oft-repeated assumption—another myth, by the way; and this one is really a lulu—that all of Secretary Benson's woes came from an "inherited mess"—and I use the phrase "inherited mess" with quotation marks at each end, for it is Mr. Benson's own special phrase—of surplus commodities, and that these surpluses are the cause of the present farm depression. It is about time some skeptical reporter asked the Secretary for facts, instead of talk. I intend providing such facts. I intend to disprove, by facts from our own Government's records, the repeated misleading assertions of both our Secretary of Agriculture, and regretably, our President. Those facts are available to the White House and to the Department of Agriculture. In fact, those statistical tables and facts have been prepared by the Department of Agriculture, through its research and statistical divisions.

I suggest that the Secretary of Agriculture read those facts. I know that apparently he did not read the article published in Harper's magazine; and I can understand that the Secretary of Agriculture has been busy. He has been busy traveling all over the country, making political speeches. I merely suggest in a most friendly and charitable manner that he stop long enough to read the statistical tables and factual sheets of his own Agricultural Marketing Service, of his own research division. Then, after reading them, he can brief them for the President; he can put them on one sheet, and can go to the White House and present them to the President.

Apparently the President knew these facts when he ran for office in 1952, because in 1952 he was in favor of a farm program that I support. But since 1952, apparently the facts have not been

reaching the White House. That may be due to the leadership of the Department of Agriculture.

Of course, there is also the myth that lower price supports curb production. This is a myth which has been widely developed. It has had the full emphasis and weight of the propaganda and public relations machine of the Republican administration—the myth that lower price-supports will curb production, and—and this is the opposite side of that coin—that 90 percent supports will simply stimulate more surpluses. We read that every day. Scarcely a day passes that that myth is not dinned into the ears and minds of the American people. I respectfully suggest that those who bring these matters to the attention of the American people, through the various media of communication, have not even seemed to bother quoting anyone as saying it; they simply assume it to be so.

ORDER FOR ADJOURNMENT UNTIL TOMORROW AND
FOR RECOGNITION OF SENATOR HUMPHREY
AFTER MORNING BUSINESS

Mr. JOHNSON of Texas. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. PORTER in the chair). Does the Senator from Minnesota yield to the Senator from Texas?

Mr. HUMPHREY. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I also ask unanimous consent that when the Senate meets tomorrow the Senator from Minnesota be recognized at the conclusion of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that the Senator from Minnesota plans to speak for an additional 10 or 15 minutes at this time.

Mr. HUMPHREY. That is correct.

Mr. JOHNSON of Texas. Mr. President, if the Senator from Minnesota will, at the end of that time, do me the favor of moving that, pursuant to the order which has been entered, the Senate stand in adjournment, I shall appreciate it.

Mr. HUMPHREY. I shall be glad to do so.

Let me ask whether I correctly understand that at the conclusion of the session today, the Senate will stand in adjournment, rather than in recess.

Mr. JOHNSON of Texas. That is correct.

Mr. HUMPHREY. I thank the distinguished majority leader.

Mr. President, I was speaking of the myth that lower price supports curb production, and that 90 percent supports stimulate more surpluses. As I have said, that myth has been repeated again and again, and it has been assumed that that is so. I challenge anyone to prove it. I make this flat statement to the Members of this body: I will take on all

comers who may disagree with what I have just said, and who may disagree with the argument I am making. I challenge anyone to prove the validity of the statement that lower price supports have curbed production, or that 90 percent of parity supports are responsible for creating our surpluses. Those who disagree with me can take either side of that coin. I shall be here on the floor of the Senate, prepared to argue and debate, and to document my case by facts, that that myth is exactly what it is termed—namely, a myth. I challenge anyone to disprove in the course of this debate the facts I shall present to burst the balloon of this huckstering fallacy.

Mr. President, I have waited a long time for this opportunity. I have been preparing for four years for it; and, as is said out my way, I am "loaded for bear"—wanting to go to the mat with any and all comers. These great issues relate to our agricultural policy; these myths affect our decisions on sound agricultural policy.

I want to end, once and for all time, the oft-repeated falsehood that the only program the Democratic Party offers for agriculture is 90 percent of parity, that all we want to do is to turn back to the past. You know, Mr. President, the fact that the press or our critics just say these things, does not make them so.

The record speaks for itself. Perhaps our critics do not bother looking at the record. For that reason, I intend to remind them, again and again, of what the vast majority of the Democratic Party have sought for agriculture, what we have done for agriculture, and what we propose doing for agriculture.

If they want to invite a test comparison as to which party has held an open and receptive mind to new ideas and new approaches, and which has had the imagination and foresight to come forward with such ideas, I shall welcome it. I assure you I shall not let the record of this debate close without providing, for the Record and those willing to read it, documentation of the Democratic Party's insistence upon a broad, over-all approach to improving conditions in agriculture, rather than full reliance upon price-supports alone.

Mr. President, there may be some who may say, "Apparently the Senator from Minnesota is going to treat this subject in a partisan manner." However, Mr. President, that is not my intention. The chairman of our Committee on Agriculture and Forestry admonished every member of the committee that we were to approach this problem on an economic basis, on the basis of what we deemed best for American agriculture, and not in a partisan manner.

But, Mr. President, I would be remiss if I did not call to the attention of this body the fact that a considerable sum of money, running into the hundreds of thousands of dollars, is being expended for spot announcements on practically every radio station in the midwest, and on full-page advertisements in leading newspapers, and on half-page advertisements in country newspapers—a barrage of propaganda the like of which the American people have never witnessed or experienced on any other issue before

the Congress. There is talk about lobbying in connection with the natural gas bill. Mr. President, I hope the oil and gas industry will not feel offended when I say they are pikers, they are really second-rate lobbyists, compared to the kind of lobbying that has been going on in recent days to get through what some persons call the Eisenhower farm program.

Of course, Mr. President, no Eisenhower farm program is before the Senate. I do not know what those who refer to such a program expect the Senate to vote on, because the program before the Senate is the proposal of the Senate Committee on Agriculture and Forestry.

Mr. President, I hold in my hand a nice little half-page advertisement from the Thorp Courier, of Thorp, Wis. This advertisement is typical of much that is being published.

It says:

Help Eisenhower pass the new farm program.

Eisenhower does not even have a vote in the Senate. How can he pass a farm program? We have a separation of powers in this Government. We do not have kings and monarchs—at least, I hope not. The Senate and the House of Representatives will pass a farm program.

Next I read about the Eisenhower-Republican nine-point farm program. As we go down the list, we find that most of that program, including the soil bank, has already been offered by the Democrats, long before. I shall discuss that subject later.

Proposals to permit faster surplus disposal have heretofore been offered by Members of Congress, both Democratic and Republican.

Another point is to protect the family-type farms by limiting the size of price support loans. The junior Senator from Minnesota has been a sponsor of such a program for more than a year, long before the President got it in his message.

I think the record should be clear, that there is no Eisenhower farm program before the Senate. There is a program which was designed, after many weeks of hearings, by the Committee on Agriculture and Forestry, and brought forward by the Senator from Louisiana [Mr. ELLENDER]. If the Republicans wished to publish advertisements calling for the support of the Ellender farm program, or the program supported by the Democratically controlled Committee on Agriculture and Forestry, there would be some legitimacy to such advertisements.

It is others who have held closed and sterile minds on some of these agricultural questions. It is others who have refused to look at anything new. It is others who still refuse to even objectively consider or give a fair analysis to any new approach advanced by Democrats in our constant efforts to improve and extend the coverage of our already broad scope of farm legislation.

The facts are on our side. Yet the adjectives in the press still go to the opposition. This administration can suggest virtually nothing, and overnight it becomes a bold, new, sweeping, many-sided approach to aiding agriculture.

Well, it will be interesting to hold the record up to the light of public exposure, as I intend to do in the course of this debate.

There are many more myths that need exploding, and many more that I will explode.

The smug generalities in the minority report on this bill is in itself an indictment of what I consider to be the huckstering tactics this administration has brought into our legislative processes—whereby facts are unnecessary, so long as something is said long enough and repeated often enough so that people believe it must be true. This propaganda line is as old as man himself. I have recounted some of these myths I intend to disprove during these opening remarks of this farm debate to serve advance notice upon the press and the administration alike. Nothing could be more fair than to give them time to muster their meager forces for a counterattack. Because the facts are on my side, I expect that counterattack will have to rely on new misrepresentation, new distortion, new hucksterism. When all the shouting is over, I shall invite the press to carefully compare the record—and sift for themselves the fact from the fantasy.

Mr. President, I am about to yield the floor. I had issued a press release with respect to some of the myths it was my intention to consider and discuss in this debate. I have outlined some of them.

Tomorrow I shall start on the topic "Where We Are Today in American Agriculture," with an economic analysis, so far as official records permit, of prevailing economic conditions in the American agricultural economy, including not only prices, but income, as well as production figures, and the relative position of the American farm family in the American economy.

I wanted my colleagues to know what is to be the subject of my discussion tomorrow. If anyone can show that the American farm family is getting along wonderfully, I should like to receive the good news. If, between now and tomorrow, anyone can present documentary information to indicate that the administration is well on the way to bolstering the economy of our farm families through effective programs, I should like to receive that good news. I want to be happy. I am, in general, an optimist. I should like to feel that life is good. It is my feeling that after we finish with this farm debate and pass a good farm bill, life will be better.

ADJOURNMENT

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. HUMPHREY. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, February 28, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 27, 1956:

DIPLOMATIC AND FOREIGN SERVICES

Fletcher Warren, of Texas, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

UNITED STATES DISTRICT JUDGE

Paul C. Weick, of Ohio, to be United States district judge for the northern district of Ohio, vice Emerich B. Freed, deceased.

IN THE AIR FORCE

The following-named officers under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to positions of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Earl Walter Barnes, 67A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. Frederic Harrison Smith, Jr., 461A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

The following-named person for reappointment to the active list of the Regular Air Force, in the grade indicated, from the temporary disability retired list, under the provisions of section 407, Public Law 351, 81st Congress (Career Compensation Act of 1949):

To be lieutenant colonel

William G. Miller, 2180A.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947), and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be captains, USAF (Judge Advocate)

James M. Bumgarner, AO666237.

Richard S. Casale, AO414295.

Everett G. Hopson, AO1858565.

Milton E. Kosa, AO957882.

John H. Leonard, AO2071944.

James C. Moseley, Jr., AO673254.

To be first lieutenants, USAF (Judge Advocate)

Carl R. Abrams, AO2247279.

Michael J. Barrett, Jr., AO2253302.

William H. Carnahan, AO1861363.

Prichard E. Gray, AO830450.

James S. Hoeker, AO1865346.

Robert T. Holt, AO704122.

J. T. King, AO1856712.

Henry R. Lockington, AO2082621.

James M. Nabers, AO1865070.

Benjamin H. Rosker, AO2205179.

William F. Rutherford, AO2245959.

To be first lieutenants, USAF (Chaplain)

George R. Connelly, AO2255047.

Paul S. Haney, AO2251346.

Donald J. Hass, AO2230540.

The following-named person for appointment in the Regular Air Force, in the grade indicated, with date of rank to be determined by the Secretary of the Air Force, under the provisions of section 101 (c), Public Law 36, 80th Congress (Army-Navy Nurses Act of 1947), as amended by section 5, Public Law 514, 81st Congress, and Public Law 37, 83d Congress; with a view to designation for the performance of duties as indicated under the provisions of section 307, Public Law 150, 82d Congress (Air Force Organization Act of 1951):

To be first lieutenant, USAF (Nurse)

Juanita Howle, AN2241846.

The officers named herein for appointment as Reserve commissioned officers in the

United States Air Force for service as members of the Air National Guard of the United States under the provisions of the Armed Forces Reserve Act of 1952 and the Reserve Officer Personnel Act of 1954:

To be major general

Col. Francis William Billado, AO311562, Vermont Air National Guard.

To be brigadier generals

Col. Lawrence Haas Bell, Jr., AO423819, Arizona Air National Guard.

Col. Edsel Olin Clark, AO1699452, Ohio Air National Guard.

Col. Homer Reid Flynn, AO1797983, Georgia Air National Guard.

Lt. Col. Jack LaGrange, Jr., AO1551661, Nevada Air National Guard.

Col. John Patrick McFarland, AO256643, New Mexico Air National Guard.

Col. John Lawrence Strauss, AO326325, Missouri Air National Guard.

IN THE MARINE CORPS

Lt. Gen. Gerald C. Thomas, United States Marine Corps, to have the grade of lieutenant general on the retired list in the Marine Corps effective from the date of his retirement.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 27, 1956

The House met at 12 o'clock noon.

Rev. Father Eugene I. Van Antwerp, S. S., St. Mary's Seminary, Baltimore, Md., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Lord God of nations, we adore Thee. And since "it is the duty of all nations to implore God's protection and favor" (George Washington) we ask Thee to bless these our Representatives, the "sentinels of our freedom" (Daniel Webster). Give them the knowledge to see and the courage to do what is right and just, that they may use their talents, intelligence and integrity and strength for the glory of God and the good of all men, made in the image of their God.

And, O God of peace and strength, who so many times in the past has favored our undertakings in this home of freedom, send forth Thy grace, and crown Thy great gifts with peace. Bring peace between nations, between races, between factions, between all elements of division, among all men, among all the children of God.

And may these favored men, our Representatives, be Thy instruments for good, forever.

Through Jesus Christ, Thy Son, our Lord. Amen.

The Journal of the proceedings of Thursday, February 23, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendment to the bill (H. R. 1637) entitled "An act for the relief of Sam H. Ray" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. JOHNSTON

of South Carolina, and Mr. WATKINS to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7583) entitled "An act for the relief of Jane Edith Thomas."

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 97. An act for the relief of Barbara D. Colthurst.

The message also announced that the Presiding Officer, pursuant to Thirty-fourth United States Code, page 1084, appointed the Senator from Arkansas, Mr. McCLELLAN, the Senator from Idaho, Mr. DWORSHAK, and the Senator from Maryland, Mr. BUTLER, members of the Board of Visitors to the United States Naval Academy; also the Senator from New Mexico, Mr. CHAVEZ, the Senator from Colorado, Mr. ALLOTT, and the Senator from Maine, Mrs. SMITH, members of the Board of Visitors to the United States Air Force Academy.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56-7.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may be privileged to sit during general debate in the sessions of the House this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may be privileged to sit during general debate in the sessions of the House this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on cargo preference and its relations to the farm surplus disposal program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

LEGISLATIVE PROGRAM FOR BALANCE OF THE WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the acting majority leader as to the legislative program for the balance of this week.

Mr. ALBERT. I thank the distinguished minority leader for giving me this opportunity to advise the Members of the House of additions to the legislative program for this week.

After consideration on the general Government appropriation bill has been completed, the bills H. R. 9428 and H. R. 9429, if rules are granted, and it is expected that rules will be granted, will be called up for consideration in that order on Thursday or Friday, H. R. 9428 being a bill to provide for procurement of medical and dental officers for the Army, Navy, Air Force, and Public Health Service, and H. R. 9429 being a bill to provide medical care for dependents of members of the uniformed services.

Mr. MARTIN. The gentleman understands the appropriation bill has not yet been reported by the committee?

Mr. ALBERT. That is true and it may be that we will have to defer consideration of the appropriation bill, but the plan now is, if possible, to consider the general Government appropriation bill on Thursday and to follow consideration of that bill with the two bills I mentioned.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from New York (Mr. TABER).

Mr. TABER. Mr. Speaker, the appropriation bill to which reference has been made has not been reported. The committee voted to report it this morning but it has not yet been reported and I do not know when it is going to be. We, on the minority side, have not been told when it was going to be. I would assume that it would have to lay over some, although I do not know that there is anything controversial in it.

Mr. ALBERT. It is my understanding that the bill will be reported in a short time this morning.

Mr. MARTIN. Not this morning.

Mr. ALBERT. Well, today, within a few minutes.

Mr. MARTIN. I thank the gentleman.

FREEDOMS FOUNDATION AWARD TO JAMES D. CORRIELL

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, on February 22, 1956, Mr. James D. Corriell, an editorial writer of the Boulder Daily

Camera, Boulder, Colo., was given the top national award by Freedoms Foundation at Valley Forge. I wish to include that article as part of my remarks:

THE RIGHT TO TOIL, SWEAT, AND BE FREE

On the anniversary today of the birth of George Washington, Father of our Country, it might not be out of order to review one of the basic principles Washington fought for, lived for, and helped found a government for.

That principle is liberty.

Not that we Americans have any less desire for liberty today than the revolutionary patriots had, but our desire is necessarily based on tradition, while theirs was based on bitter experience.

We know the definition of liberty. They knew its meaning.

Washington and the men of his time who founded our Government believed in the unalienable right of man to life, liberty, and the pursuit of happiness. They knew what this idea meant because they knew what it was to be without it.

We moderns have always had this right. We take it for granted. And we fail to grasp the deepest meaning of it because we've never been without it.

This is evident in the fact that we have all but lost the word "pursuit" from that basic outline of the rights of man. We have tended to accept the good things we enjoy under the wings of liberty as a gift, rather than a reward for effort. Happiness is not guaranteed; the right to work for happiness is.

The very basis of the liberty which Washington and his compatriots fought for was responsibility—it was the freedom to assume the responsibilities and duties of free men in pursuit of the rewards of liberty.

The newspapers, the radio, the TV channels, the lecturers—yes, even the teachers—of our land have been loud in their proclamation of the rights of man, but they have been all too silent on the duties of man in acquiring and maintaining those rights. The implication is that rights are gifts. "The best things in life are free."

How Washington would have cringed at that.

The unalienable right he fought for were the right of men to enjoy the rewards of their own labor, the right to seek and work for better things, the right to be responsible for their own acts, the right to toil and sweat and know the inner satisfaction of having earned something good.

It is for us in the 20th century to remember that privilege without responsibility was what the colonists had before the Revolution for independence. So long as the crown got its material share of colonial wealth, colonists needed to endure no other responsibility for the privileges they had.

With the Declaration of Independence, American colonists assumed direct responsibility for every act they did. It was this assumption of responsibility that justified their independence and their right to pursue freedom and happiness.

Every individual liberty we have has its counterpart in duty. To shun this duty is to forfeit liberty.

EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GENERAL GOVERNMENT AGENCIES APPROPRIATION BILL, 1957

Mr. ANDREWS, from the Committee on Appropriations, reported the bill (H. R. 9536) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 1812),

which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. FENTON reserved all points of order on the bill.

FEDERAL HOUSING ADMINISTRATION

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, there are specific provisions of the bill introduced today by my fellow member of the Committee on Banking and Currency, Mr. WIDNALL, which should, in my opinion, be strongly impressed upon the minds of our colleagues and the general public.

Three of the bill's provisions have particular application to my State, and should be of assistance to its citizens.

As is well known, the Golden State is the mecca for those from other areas of the Nation who seek in their later years climate and environment suitable for greater longevity and serenity of being. It is appropriate therefore that I call attention to the proposed changes in legislation which will permit private enterprise, through the insuring services of the Federal Housing Administration, to provide assistance in rental or sales housing for the elderly.

The proposed amendment to section 203 which permits borrowing of the downpayment amount by persons age 60 or over will permit purchase of their own homes by many senior citizens heretofore not able to meet this requirement. The additional permission by FHA to insure mortgages secured by the credit of a cosigner will provide even greater impetus to home ownership by the elderly. I fully expect the enactment of these proposals to spur the already active building program in California and to attract even greater numbers of persons in the retirement phase of life to our great State.

FHA will also, under the terms of this bill, liberalize its insurance provisions in multifamily housing for rent where the projects are partially or totally designed for use by the elderly.

Mortgage insurance to the limit of 90 percent of appraised value instead of the present 80 percent would be permitted where occupancy at or above 25 percent was designed and reserved for the elderly. Additionally, a change from 90 percent of value to 90 percent of replacement cost is authorized under section 207 where sponsorship of multifamily rental housing is by nonprofit organizations and occupancy is intended solely by the elderly.

Some portions of our State as well as those to the north were severely stricken late last year and through the early days of the current year by flood disaster. While those residing in my own district were fortunate to escape the con-

sequences of disaster, I recognize, as I am sure all of us do, that disaster knows no boundaries, geographical or political. Our sympathy and our desire to help is restricted by no material dividing line or border.

I am pleased to note therefor that liberalization of two sections of the Housing Act is recommended in the administration bill. There should be no serious objection to the inclusion of either in the measure which finally comes to this House for its consideration.

The present title I, FHA home repair and modernization program is intended to provide more adequate insured financing for this purpose. The permanence of the program; its increase in amount from \$2,500 to \$3,500, and in term from 3 to 5 years, will assist in obtaining financing for necessary repairs on a more equitable repayment basis. This, coupled with deletion of the 6-month occupancy requirement in disaster areas already enacted by this Congress, will permit renovation and rehabilitation of those homes damaged by recent floods.

In the urban renewal section of the proposed housing amendments of 1956 further recognition is given to the needs of those overcome by disaster.

It is recommended that certain standard requirements for participation in this program be waived for presidentially designated "disaster areas." The workable program requirement would not be a prerequisite to urban renewal assistance, the urban renewal plan need not conform to a general plan of the community, public hearings would be waived in such cases, and there need not be conformity with the requirement that the area be predominantly residential in character.

All of these changes will make possible the speedy rehabilitation of areas hit by disaster, and contribute much to the upgrading of community areas despite the devastation wrought by flood or other disaster.

I commend the Housing Administrator and those working with him in this administration who propose such measures as will be beneficial to our citizens and call upon this Congress to act expeditiously in the consideration of these provisions.

WILLIAM MOORE, CHICAGO TRIBUNE'S CORRESPONDENT IN MOSCOW

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I think it is fitting that mention should be made of the fact that the Chicago Sunday Tribune of February 26, 1956, printed on the first page and under an eight-column headline the first dispatch from Moscow of William Moore, the Tribune's new correspondent in Moscow. It is fitting, Mr. Speaker, because in his 20 years of service as a reporter for the Chicago Tribune, Bill Moore was 13 years

a member of the Washington bureau staff of that newspaper. He has covered the deliberations of this body and of the other body and he is universally respected and beloved by the Members of the Congress of the United States. We wish him well in his new niche, in which we are sure he will measure up to the highest traditions of American journalism.

My colleagues will be interested to know that Bill Moore is accompanied on this most important mission by his wife, Eloise, and it will come as no surprise to us who know brilliant and studious Eloise to learn that in preparation for this mission of Bill's she worked and studied with such determination that in a very limited period of time she became a master of the Russian language.

Bill tells us in his first dispatch that when he arrived at Moscow the thermometer registered 19 below zero, which the people in Moscow told him was a bit of a heat wave, since the thermometer shortly before his arrival had been 30° below zero. The final paragraph of the first dispatch from Moscow states:

But no matter how cold it is, Moscow citizens buy ice-cream cones at sidewalk stands and munch them as they scurry.

It is this reflection of the American sense of humor that I am sure will go very far in bringing the people of Russia into closer understanding with the people of the United States. We are serious when the occasion demands, but we ease off the tensions that sometimes develop on less serious occasions with our sense of humor.

Chicago has contributed many outstanding journalists who have represented American newspapers in foreign lands. I predict that the record of Bill Moore, working as he always does in close teamwork with Eloise, will rate with the highest achievements in American journalism.

Mr. Speaker, I cannot close without putting in a commercial for the great Second District of Illinois. Bill Moore is a product and a graduate of the University of Chicago. So, too, is Eloise.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8675) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8675, with Mr. METCALF in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement entered into on February 23, the gentleman from North Carolina [Mr. DURHAM] will be recognized for 30 minutes and the gentleman

from Missouri [Mr. SHORT] will be recognized for 30 minutes.

Mr. DURHAM. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill will give NACA authority to construct items totaling \$15,444,000. The committee examined into each of the items and was fully satisfied that every one of them was needed; that every one of them tied directly into the maintenance of superiority in air power; and that not one of them was unnecessary by reason of similar facilities existing elsewhere.

I think that a rundown of the specific items which were included in this program would be helpful to a fuller understanding of the bill.

First, at the Langley Laboratory, at Hampton, Va., there would be the following items:

High-speed leg for the unitary plan tunnel.....	\$6,500,000
Data-processing system for the high temperature structural research laboratory.....	414,000
Modernization of the 7- by 10-foot high speed tunnel.....	947,000
Power supply for the structures research laboratory.....	715,000

The first item mentioned above proposes the construction of a continuous-flow hypersonic tunnel with a range of 7 to 12 times the speed of sound. Rocket propulsion technology has now reached the stage where large ballistic guided missiles of several thousand miles range are technically feasible. Because of its ability to glide to a normal landing, the winged vehicle offers promise in future commercial as well as military operations.

At high supersonic speeds, extremely high temperatures and heat-transfer rates offer serious problems.

At present, the NACA has no facility that is suitable for the required research and development. Enough exploratory work has been carried out in existing facilities to outline the many problems which will require research on a larger scale. Existing facilities can handle many of the transient problems but few of the steady-state problems. A large continuous-drive tunnel is required for work in this high-speed range.

The proposed facility will serve a dual purpose in that it will extend the range of the unitary plan tunnel system and will provide an adequate continuous-drive type of facility for basic research.

The second item will provide NACA with a data-recording system capable of recording up to 28,000 units of data for a single test run of less than 3 minutes, and promptly compute and tabulate the data to guide the conditions for the next run. This item will save weeks of computing time.

The third item will modernize the 7-by-10-foot tunnel to provide low transonic testing so that it will be possible to determine the complete static and dynamic stability behavior of a new airplane shape throughout its speed range utilizing only one model.

The fourth item increases the electric power-supply system to provide 10,000 kilowatts at 2,300 volts in order to broad-

en the scope of test conditions in the structures laboratory.

At the Lewis Laboratory, the bill would authorize two items:

Modifications to the propulsion systems laboratory.....	\$5,317,000
Disposal system for combustion waste products.....	645,000

New concepts developed in recent months reveal the possibility and methods of accomplishing flight at very high altitudes over long ranges. Increases in flight altitudes of a very substantial nature above present limits are indicated for both fighter and bomber aircraft. The realization of these goals require experimental verification of several important assumptions and the investigation of new propulsion-system problems. It is the purpose of these modifications to provide the research facilities necessary to carry out these investigations.

The second Lewis item consists of the construction of a special system for handling hazardous waste products generated during combustion experiments.

At the Ames laboratory, authorization would be for:

Air-removal system for the 2-by-2-foot transonic tunnel.....	\$437,000
Atmosphere-entry simulator.....	469,000

The air-removal project will remove the boundary layer from the test walls of the tunnel, thereby virtually eliminating interference from reflected shock waves.

As the committee pointed out in its report, the atmosphere-entry simulator, though relatively minor in cost, represents an area of activity which is of particular interest at this time in view of the urgency of this Nation's missile program.

The proposed equipment is a free-flight test apparatus which will be used to study the effects of aerodynamic heating on ballistic models under conditions simulating those encountered by high-speed, long-range missiles entering the earth's atmosphere and will broaden the scope of research that can be conducted on aerodynamic heating problems.

That is one of our worst problems today—the heating problem, going from top speed into different types of atmospheric conditions.

The instrumentation proposed for the simulator will provide basic research data on surface temperature, heat transfer, loss of surface material, and surface burning. The flight of the model through the simulator will be photographically recorded and will show whether or not the surface has been destroyed, thereby enabling an evaluation of the success or failure of a given design at a small fraction of the cost of a full-scale flight test.

That about covers the items. Your committee went over these items very carefully. We have felt for many years that this agency is one of the most important, although not the largest agency of the Government; but it does the finest research work of any agency in the world. Its primary function is research in connection with all of our missiles and airplanes in connection with our national defense security and commercial aviation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. GROSS. There are three items in this bill: one for \$8,576,000; another for \$906,000; and another for \$5,962,000. That totals \$15,444,000.

Mr. DURHAM. I think those figures are correct.

Mr. GROSS. I notice this language: "Any of the approximate costs enumerated in section 1 of this act may, in the discretion of the Director of the National Advisory Committee for Aeronautics, be varied upward 5 percent to meet unusual cost variations, but the total cost of all work so enumerated shall not exceed \$15,444,000."

Where would the money be obtained if the cost should be 5 percent more than the above figures?

Mr. DURHAM. That question was raised in committee. We have always had that provision in each authorization of bills. Of course, few of these items are completed on yearly basis. They take a year or more, and they can come back and get that 5 percent, if needed, because of overrun cost.

Mr. GROSS. If the cost exceeded the estimate by 5 percent, you would have to come back to Congress to get some more money?

Mr. DURHAM. Yes.

Mr. GROSS. Is this 5-percent provision usual in all contracts?

Mr. DURHAM. I do not know whether it is usual in all authorizations, but we have always carried it in the aeronautics authorization bill, because the wind tunnels and all research tools are very difficult to be exact in making a dollar cost on them in the contract.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SHORT. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I wish first to express my deep and sincere appreciation to the chairman of this subcommittee, the distinguished gentleman from North Carolina [Mr. DURHAM], who is well versed in the subject. The gentleman from North Carolina is not only a valuable member of the Committee on the Armed Services, but most of us know that he is also vice chairman of the Joint Committee on Atomic Energy. I consider that he is one of the best-versed men on the subject of atomic energy and power in the Congress, and I know that he is well informed, perhaps better than any other Member of this House in the matter of the stockpiling of strategic materials. We all appreciate the valuable contribution he has made to the deliberations of our committee, particularly on a difficult subject like that under consideration.

I think the Members of the House should bear in mind that the National Advisory Committee for Aeronautics is an independent agency set up separately from the armed services 40 years ago. Most of its work has been in pure science and to some extent applied science. When war came finally all the money that we had invested in this agency to

explore aerodynamics and problems connected with it paid off in rich dividends. Without its research we could never have built up a mighty Air Force. It is just like having a great growing industry for the manufacture of automobiles and trucks; if war should come where in the world would we be unless we had this industry to contribute to our national defense? It produced the tanks, artillery, and other powerful weapons of war.

Members also should bear in mind that today while the National Advisory Committee for Aeronautics was more or less a civilian agency working only in the realm of science to meet peacetime demands, today practically all of its effort and output is for the military in this most vital field. While we have appropriated astronomical sums, hundreds of millions, and even billions of dollars in the promotion and improvement of weapons of warfare, yet we ought to realize the absolute necessity for it. Certainly no one should expect the United States to match man for man the teeming manpower of Soviet Russia and the Asiatic continent. Our only hope of victory or chance of survival in another global conflict would be in our superiority of weapons and in the superior skill of the man to handle those weapons.

So while we gambled billions of dollars on the atomic bomb—and we did gamble about \$2 billion—it is a fascinating story. I listened spellbound 2 or 3 days ago as the chairman of the Appropriations Committee told other members of secret nighttime trips to the Pentagon to discuss with the then Secretary of War, Henry Stimson, the progress that was being made on this mystery weapon. After sinking one and three quarter billions of dollars on the development of the atomic bomb they had not yet solved the problem or produced the weapon. But with the expenditure of a quarter billion more we did after those long months of hard research and laborious experiment, after the expenditure of \$2 billion, we did produce the atomic bomb.

Now we are spending hundreds of millions of dollars on this particular agency; we are spending hundreds of millions of dollars on the development of the guided missile, the intermediary ballistic missile, the intercontinental missile. All of us hope we will soon be able to develop a missile that can be shot a distance of perhaps 5,000 miles at a height of 800 miles that will come automatically to rest and then drop perpendicularly at the rate of 15,000 miles an hour, not possible of being intercepted by any kind of defense weapon. Of course we shudder and are horrified when we read about this. Nothing is impossible. It simply goes to show how important it is that we keep abreast of the times and that we keep ahead in this particular field.

Mr. Chairman, after expressing again my appreciation to the gentleman from North Carolina [Mr. DURHAM], I would like to yield to a member of the minority on that subcommittee, the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from North Carolina.

Mr. DURHAM. Mr. Chairman, I thank the gentleman for his very kind remarks in regard to me. I can also return the compliment to the gentleman from Missouri who over the years since I have been here has made many valuable contributions to the defense of this country. May I make reference to one thing that is probably not known by many Members of the House when we set up this agency under its new authority which heretofore was acting under approximately 10 words in an appropriations act, beginning in 1950. We broadened the plan and set up what we call a unitary plan trying to bring together all of the services into an agency where we would not scatter basic research of such nature all over the world. That is one thing that has been accomplished.

Now, speaking of atomic weapons, we do have atomic weapons, of course, we have produced them and we have done an excellent job. As I stated, we do have atomic weapons, but you have to have something to get those weapons to the point of delivery if you expect them to be worth anything. Therefore this agency has a most important part in the air, both by plane and by missile or any other means we deliver them by.

Mr. SHORT. I thank the gentleman and may I say that never do I feel my profound and abysmal ignorance as much as when I visit Langley Field down in Virginia and listen to some of these scientists explain or try to explain to us all of the complexities as we are ushered through those wind tunnels. I am simply lost in a phantasmagoria of metaphysical complexities that defies description. I feel less and worse than an acanthocephalan.

Mr. Chairman, I now yield 10 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I desire to concur in everything the gentleman from Missouri [Mr. SHORT] has said about the gentleman from North Carolina [Mr. DURHAM]. It has been an education to me as well as a joy and a pleasure to sit as a member of the subcommittee of the Armed Services Committee of which he is chairman.

In his letter to the Congress, January 23, transmitting the 41st annual report of the National Advisory Committee for Aeronautics, Dr. J. C. Hunsaker looked back upon 40 years of aeronautical research accomplishment since establishment of the NACA which he heads. I was very much struck by the reason he gave for attainment by the United States of aeronautical leadership.

This continuing achievement—

Dr. Hunsaker said—

has been the result of a partnership in which the Congress, the military air services, the aircraft industries, and the NACA have joined.

Too often, I am afraid, the fact is forgotten in the excitement of achievement, that it takes real courage and foresight on the part of the Congress to appropriate the large sums required for the

new and novel research facilities which are requested by an agency such as NACA to be used in exploring the unknown.

And so it was gratifying to note the public recognition by the NACA that, to quote Dr. Hunsaker again:

The importance of aeronautics and what had to be done to advance it was recognized by the Congress.

It was just 10 years ago that we were asked to appropriate millions of dollars for the design and construction of a whole new complex of very large transonic and supersonic wind tunnels. The NACA people were very careful, in their request, to say there could be no guaranty that the returns in improved aircraft performance would quickly justify the great expense involved. But they were able to convince the Members of Congress that there was real need for the new wind tunnels, if we were to continue to hold our position of world leadership in aeronautics.

It was almost exactly a year ago, that the Congress was told of the dramatic improvement in performance of the Convair F-102 as a result of work accomplished in the new wind tunnels. Late last year, further details about this major breakthrough in aeronautics were made public. An area rule, developed by a young aeronautical research scientist at the NACA's Langley Aeronautical Laboratory, was what made it possible. The area rule gave us airplanes that would fly faster, or farther, without increase in power.

In the disclosure, it was said that Whitcomb's work was performed in one of the new transonic wind tunnels—and that for technical reasons, except for this new piece of research equipment, the area rule might not have been possible.

One dramatic consequence of early application of the area rule was that it assured to the military services tactical airplanes with much superior supersonic capabilities. Not only that, but it made sure that the airplanes, for which the military services had already committed hundreds of millions of dollars in contracts, were what was wanted.

The area rule, I am reliably told, is being extended in usefulness well into the supersonic speed range. It is hard for me, or any other nontechnical person, to realize that today speeds of 1,200 miles an hour or more, are considered in matter-of-fact fashion when tactical airplane requirements are discussed. But such is the fact, and it is the area rule, in large part, which makes this possible. The cost of the new wind tunnels has already been justified, and much more.

In perhaps no field is the axiom so true, that progress must be perpetual. At a time when we are being challenged inexorably by another nation, we cannot for a moment relax our efforts. I am sure that now, and in the years ahead, the NACA will come to the Congress again and again, requesting funds for still more research facilities, so new and so novel as to be almost beyond comprehension.

On the basis of past performance, I say that we must listen carefully to what

the NACA scientists say they need. On the basis of past performance, I say we can expect they will use their new research tools to provide an immensely valuable service to aeronautics and the welfare of the Nation.

In conclusion, Mr. Chairman, I would like to take you back some 15 years when a committee of this Congress was holding hearings on the first proposal to lend-lease money to countries abroad. I went over to what is now the Ways and Means Committee room and listened to some of those hearings. I recall the afternoon I was there when Charles A. Lindbergh was on the witness stand testifying, and he made a statement that has assisted me at every hearing since then as a member of the Committee on Armed Services. He said that if we had an airplane that would go 185 miles an hour and our enemy produced one that would go 195 miles an hour, all of our airplanes of 185 miles an hour became obsolete; we would immediately have to catch up that difference of 10 miles an hour. I think the NACA in its wonderful work is doing just exactly what Charles A. Lindbergh advised 15 years or more ago.

Mr. DURHAM. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I wish to very cordially concur in the commendatory remarks made about the distinguished gentleman from North Carolina, chairman of the subcommittee, Mr. DURHAM. I have had the pleasure and benefit of being a member of his subcommittee now for several years. It is not only a great pleasure to those of us who have the capacity to understand the technical phases of this subject but we are always greatly benefited by his able, devoted, and thoroughgoing leadership on that committee and his understanding of the problems involved.

I have been asked this morning how the NACA is constituted. The report on pages 1 and 2 shows that. A committee of 17 members is named by the President of the United States. They serve without pay. They establish policy and plan the research program to be conducted. There are some 7,500 scientists, engineers, and supporting personnel. I think one of the most valuable and pleasing policies of this important group of expert scientists and technicians is the extent to which they use the educational institutions of our great Nation. For instance, in the year 1955, on pages 2 and 3 of our report, it shows that more than 25 high educational institutions in our great Nation were actively participating in this program. Some of these are the Massachusetts Institute of Technology, University of Michigan, University of Minnesota, University of Oklahoma, Purdue, Syracuse University, University of Washington, Stanford University, University of Wisconsin, Stevens Institute of Technology, and others of like rating listed there.

I support the bill and its worthy objectives.

I wish to call attention to some facts concerning the Lewis Flight Propulsion Laboratory located at the Municipal Airport in Cleveland.

One of the major research centers of the National Advisory Committee for Aeronautics is located at the edge of the municipal airport at Cleveland. As its name, the Lewis Flight Propulsion Laboratory, implies, its scientists and engineers concentrate upon powerplant problems.

The engineman will admit that it is vitally important for aerodynamic advances—like the NACA's area rule—to be made. At the same time, he will say that the heart of the airplane is the engine, and that if we are going to continue to fly faster and farther and higher, then we are going to have to have more powerful, more efficient engines.

Here again the situation is one of partnership, with the Congress, the military air services, the manufacturers, and the NACA working as a team. Somehow, ways must be found to accelerate the process of obtaining new ideas, new knowledge, and then transforming them into the useful engine developments upon which our country's aeronautical progress depends.

In the past decade or so much good work has been done at the Lewis Laboratory, especially in the field of turbojet engines. The results of this work is reflected in the powerplants which are in the new supersonic fighters and new near-supersonic bombers which the aircraft industry is building today.

I am told much more remains to be done if we are to have the sufficiently powerful ram-jet and rocket engines which will be required to propel the long-range missiles we need to maintain our leadership in the air. The task ahead of developing these new engines is very difficult. It can be accomplished only by strenuous effort on the part of talented workers in many fields. But, though they may be difficult to reach, the goals are in clear sight.

Beyond all this lies the possibility that we, or some other nation, can successfully harness nuclear energy for the propulsion of our supersonic aircraft. The performance capabilities of such an airplane would be supersonic flight to any point on the face of the earth, and return. From the practical standpoint, range will be extended to the point where it is limited only by human desire and human endurance.

Even with so large a gain, it is essential that vigorous, sustained attacks be made on the formidable technical problems that must be solved. In this effort, the Atomic Energy Commission is also a member of the team, along with the Congress, the military air services, the aircraft industry, and the NACA.

For obvious security reasons, it is impossible to say in any specific way what the scientists and engineers of the NACA's engine laboratory at Cleveland are doing on this problem. I will note, however, that last year, the Congress appropriated nearly \$5 million for the design and construction of a reactor to be used in studying problems connected with nuclear powerplants for aviation. It will be located near Sandusky, Ohio. Meantime, of course, NACA personnel are doing much work on nuclear problems at the Lewis Laboratory.

Our national welfare, perhaps even our national existence, may depend on the intensity of our effort in this direction, and the competence with which the basic research and subsequent development are carried forward. We cannot settle for half-hearted, or business-as-usual efforts, in this vital area.

I wish to say to the Members of the House that it has been my pleasure to visit most of the wind tunnels in our great Nation and most of these great laboratories.

At least once a year, it has been my pleasure and benefit to sit on the Durham subcommittee and listen to the testimony of the heads of the NACA and some of their distinguished technicians in the field of aeronautics and under the expert chairmanship of Mr. DURHAM, of North Carolina. I believe this bill presently before us comes in full merit and worthy of your unanimous support.

It is particularly fascinating and inspiring to me to see the extent to which not only the NACA but the scientific and technological departments of our great universities and other great institutions are really making up a team, a great team, a team which is making great progress. We as a Congress should feel it an honor and good judgment to cooperate with them.

Mr. SHORT. Mr. Chairman, the gentleman to whom I am about to yield time has worked in close cooperation with the chairman, the gentleman from North Carolina [Mr. DURHAM]. He is a former flier in World War I. I am happy now to yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I endorse most heartily all the nice things said about CARL DURHAM. It was my pleasure to serve on a subcommittee with him known as the Stockpiling Committee. This was authorized by Public Law 520, 79th Congress. It provided that every quarter we must review the stockpiles. The report given us was then locked in the safe of the Armed Services Committee of the House. In that way we came to be very intimate friends. I do not know of anybody I like better in the House of Representatives than CARL DURHAM and there are many colleagues on both sides of the aisle that I admire very much.

To me it is very interesting to note that this development started in 1915. As all of you will remember, the Germans started the war in 1914 and in 1915 the NACA started its drive to develop proper airplanes. Flying was then in its infancy. These are some of the men who were involved in that commendable struggle: Carl Spaatz, who was Chief of Staff of the Air Force; General Arnold; Billy Mitchell; Tom Milling; and a host of others who had learned to fly way back in 1912 were getting ready for the battle that was looming ahead, so if our country became involved and we could cope with aerial warfare and come out the victor.

The eager-beaver man in this project was, and is, John Victory. I think he has been with the organization almost since its inception. He is the one that master-minded some of the things the Agency was doing and proposing.

Also I want to point out that one of our California Congressmen did a lot for aviation. He was Clarence Lea. He retired several years ago after serving in Congress for 32 years. He was the one that was induced by Mr. Victory to pass the necessary laws to help develop the air age. He was the author of almost all of them, because for pretty nearly all that time he was chairman of the great Committee on Interstate and Foreign Commerce.

I have visited Ames Aeronautical Laboratory. It is a very fascinating place to visit. I have been there several times. I want to visit some of the other laboratories, also.

As I see it today, the world is divided into two parts, the Democratic world and the Soviet world. We are waging a worldwide battle of scientists and research and development men to determine who can develop the best kind of weapons.

A curious situation was revealed in 1945 that surprised and shocked us.

I remember particularly that the gentleman from California [Mr. HOLFIELD] was on that trip with me. We went into a tunnel that appeared to be nothing but a railroad tunnel under a large mountainlike hill. This was near Nordhausen, a horror camp of Hitler's. We went into the tunnel and found a very large development plant where the Germans were building V-1 and V-2 bombs which were to be launched on London from Amsterdam. A few of them were landed on London and struck their targets.

So as I say, this is a battle between the scientists to see who can develop the most powerful weapons. As the former chairman of our committee mentioned, it is hideous and shocking to think of the civilized world as engaged in a battle where one or the other may exterminate the other half of the world. We hope and pray that through our strength and operating under the visible strength that we have not only in our Air Force but our other armed forces, particularly the Navy, and also with our allies, we can convince those that would destroy us that we have the scientific research and know-how to protect ourselves. Under the visible sign of that strength, especially in the international armed force that is now over in France, the NATO group, we will find some way to resolve our differences and live like a civilized world. Also that we may have the longed-for peace that we have been looking forward to for almost 2,000 years, and for which so many of our men have fought and died.

So as I say, it is very interesting to look back and see the tremendous development that has been going on all through the years since 1915 to put us in the position in which we are today. We hope and pray that our scientific battle will be victorious and bring the peace which the world deserves.

Mr. DURHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I want to compliment the subcommittee under its distinguished chairman [Mr. DURHAM] on its farsightedness with respect

to the further development of aeronautical research facilities of the National Advisory Committee of Aeronautics. This subcommittee under its chairman has made a tremendous contribution to the national defense and to the development of aeronautical research in America.

As a Representative to Congress from the Cleveland area, I am in hearty support of this legislation which will provide modifications to the Propulsion Systems Laboratory at the Lewis Flight Propulsion Laboratory in Cleveland.

The Lewis Flight Propulsion Laboratory is an institution of which Cleveland is justifiably proud. Our citizens have great satisfaction in the achievements of the laboratory and its great contribution to the national defense and to aeronautical progress. The developments of the Laboratory have been useful not only to the Nation and to industry but to the entire economy as well.

The Lewis Flight Propulsion Laboratory is also a good neighbor in Cleveland. Its operations are conducted at the highest standards and are completely compatible with the nature of the community in which the laboratory is located. The laboratory is operated in a manner employing the most effective methods of nuisance control which are known. Noise is completely abated. There is no noticeable emission of fume or smoke. The construction of a disposal system for combustion waste products authorized by this legislation is completely in keeping with the Lewis Flight Propulsion Laboratory as a good neighbor in our community. The experience of this laboratory in the control and abatement of nuisance should be made available to all industry, particularly the heavy industries of the Cuyahoga River Valley.

Mr. DURHAM. Mr. Chairman, I yield 6 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I want to join in paying my compliments to the chairman of the subcommittee, the Honorable CARL DURHAM and to its ranking member the Honorable DEWEY SHORT for their knowledge and understanding of this problem. I would like also to join my colleague from California in recognizing the great work that Dr. John Victory, secretary of the National Advisory Committee on Aeronautics has done in this field.

I want to say a few words about an activity which is carried on at Moffett Field on a day-and-night basis which is of extreme importance to the future welfare of this Nation. I doubt whether many of the residents of the Peninsula area where Moffett Field is located, let alone the Nation at large, know much about the Ames Aeronautical Laboratory.

It is a comparatively small organization, fewer than 1,500 scientists, engineers and supporting personnel. Established just before World War II, this research center of the National Advisory Committee for Aeronautics has made very valuable contributions to the performance of our newest aircraft. At the Ames Laboratory, the mission is to solve high-speed aerodynamic problems—and

solve them as they are doing. In many ways the scientists and engineers at the Ames Laboratory are contributing importantly to the improvement of our airplanes.

But today I wish to concern myself directly with some very vital work that is being conducted at the Ames Laboratory on the basic problems which must be solved if the United States is going to develop the intercontinental ballistic missile. So important is this work that Dr. Hugh L. Dryden, the Director of the NACA, who is an extremely modest man, and not at all given to horn blowing, admitted in testimony before the House Armed Services Committee that basic work by NACA was directly involved in the great effort being made to design and develop the intercontinental ballistic missile. I am sure, had he been so disposed, he could have made his statement very much stronger.

Now, as I understand it, the problems having to do with the intercontinental ballistic missile—which often is called the ultimate weapon—are threefold. First, we must learn how to develop sufficiently powerful rocket engines to shoot the missile hundreds of miles high and across a total distance of 5,000 miles or more. That, unquestionably, is a very difficult problem, but I am told that essentially it is one of development effort rather than one where first basic new knowledge has to be attained.

Second, is the problem of guidance. Here, again, the problem is very difficult because all the guidance that can be given such a missile—which travels at speeds up to 15,000 miles an hour—comes in the first 20 to 50 miles of flight. From then on the missile follows the same sort of course as a cannon shell after it had left the barrel or, for that matter, as a rock after it had been thrown.

Inertial guidance is one way of accomplishing this direction. The principles of inertial guidance, according to the information given me, are generally well known. I recognize the difficulty of the work ahead, but wish to make the distinction that with respect to guidance, the effort must be largely developmental, working forward from established bases of knowledge.

It is when we get to the third problem that we come to the great unknown. Air friction at the speeds the intercontinental missile will be required to travel becomes so fantastically high that no material known to man can withstand the tremendous heat—heat which is measured in thousands and thousands of degrees Fahrenheit.

We all know what happens to a meteor when it enters the earth's atmosphere after a celestial flight at speeds hardly faster than the intercontinental missile will be traveling. It becomes incandescent, and most of the meteors are completely consumed before they reach the earth's surface.

When the intercontinental missile is shot off it quickly gathers speed, and of course this air friction begins to appear at once. The missile, however, is climbing almost straight up as it gathers speed and before the effects of what the scientists call aerodynamic heating can become too critical, the missile is so high,

flying above the thin envelope of the earth's atmosphere, that it is in the position of the meteor before it began to burn up.

It is at this very high altitude that the missile flies during most of its intercontinental journey. It is only when it begins to come down and reenters the earth's atmosphere, that air friction becomes so terribly important.

I have been informed that even if it were traveling at only 7,000 miles an hour—or roughly half the actual speed which is envisioned for such a missile—temperatures up to 8,000 degrees Fahrenheit would be reached.

How to keep the missile from burning up—the engineers would probably prefer that I use the technical term of "sublimation," which means disappear completely without even vaporizing in the process—is the big problem, the one where new knowledge must be secured on the frontiers of science.

At the Ames Laboratory the research people have had to devise all manner of new equipment in order to duplicate, under the precisely controlled conditions so necessary, the tremendous heats, the conditions of rarefied and then denser air, and finally the very, very high speeds. NACA's Langley Laboratory is also working on this problem, using other approaches.

At the Ames Laboratory they have one wind tunnel which simulates the atmosphere so high that, as one scientist put it, stray molecules go wandering around inside, occasionally bumping into each other.

Our great aviation industry is making tremendous progress in the development of the intercontinental missile. The future welfare of the United States demands that they succeed in this giant effort. If they are to succeed they must be provided, on an accelerated basis, with the fundamental new knowledge which the NACA scientists at the Ames and Langley laboratories are providing. I am heartened that already much of the necessary new information has been gained. I am determined that what remains to be done shall be done, and quickly.

I want to take this opportunity to encourage the Members of the House to accept invitations that are extended to you by the National Advisory Committee on Aeronautics to visit their laboratories. What the gentleman from Missouri [Mr. SHORT] and the gentleman from California [Mr. JOHNSON] have told you about the work which you will see at those laboratories, is correct. If you go I know that you will come away struck by the fine work that is being done by dedicated men. The scientists, engineers, and technicians at those laboratories are for the most part young men who have devoted their lives to their jobs. You will come away filled with reassurance that these men are doing their all to keep this country in the forefront of the race for air supremacy.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to a distinguished Member of the House who represents the birthplace, the cradle of aviation, the gentleman from Ohio [Mr. SCHENCK], to close this debate on our side.

Mr. SCHENCK. Mr. Chairman, I am very proud of the fact that I have the great privilege and honor to represent the Third Congressional District of Ohio, which as you know is the birthplace, the cradle of aviation. It was my privilege to know the Wright brothers personally. When I was a lad I used to take my bicycle to their shop to have it repaired.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. SCHENCK. I yield to my distinguished friend, the gentleman from North Carolina.

Mr. BONNER. I am sure the gentleman wants to keep the record correct, and I do not want to detract in any way from the great work of the Wright brothers whom I happen to have known and admired greatly. But of course, the first plane ever sustained in the air by power was flown at Kitty Hawk, N. C., by the Wright brothers.

Mr. SCHENCK. I appreciate the gentleman's comments, and I agree with him that the first plane was flown at Kitty Hawk, but only after it was designed and developed and made in Dayton, Ohio.

Mr. BONNER. All the experimental work was done at Kitty Hawk.

Mr. SCHENCK. Mr. Chairman, it would be impossible to overemphasize the importance of research, not only in the field of aviation but in all other lines of endeavor. America owes much of its great development to the ability and work of our scientific research people and to their everlasting search for new products and new methods. I would like to add my personal commendation to the great chairman of this subcommittee, the distinguished gentleman from North Carolina [Mr. DURHAM] for bringing in this legislation. It should be approved unanimously, and we should encourage research in all lines of endeavor.

We should also encourage the education and development of scientists in our institutions of higher learning, so that we may continue to keep the place of eminence that we have in all of these scientific fields.

So, Mr. Chairman, I again urge unanimous approval of this very important and worthwhile legislation.

Mr. DURHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Chairman, I join in commending the Committee on Armed Services for bringing this report to the floor today. I congratulate the gentleman from North Carolina [Mr. DURHAM], and the gentleman from Missouri [Mr. SHORT], and their committee for the deep interest they have in the National Advisory Committee for Aeronautics. It is particularly significant that this report comes to the floor within a few days short of the 41st anniversary of this agency. The National Advisory Committee for Aeronautics was established by an act of Congress, approved March

3, 1915. During its 41 years, it has been one of the most effective agencies of our Government in aeronautics research. Many great problems and mysteries of flying have been solved by dedicated men in the NACA.

Mr. Chairman, I serve on the Subcommittee on Independent Offices of the Committee on Appropriations. This committee, under the able chairmanship of the gentleman from Texas [Mr. Thomas], deals with the budget requests of the NACA. It is always a pleasure to have the officials of this agency appear before our committee in justification of its expenditures. No one who listens to the testimony could but be impressed with the great and significant part the NACA plays in the field of aerodynamics. I would like to quote from a letter which accompanied the NACA's 41st annual report:

In the years that followed World War I, definite leadership in aeronautics was regained by the United States. This continuing achievement has been the result of a partnership in which the Congress, the military air services, the aircraft industries, and the NACA have joined. As its part, the NACA undertook research to provide basic information which talented designers in industry used in developing superior airplanes, both civil and military.

How successful this team effort has been was emphasized by the recent public disclosure of the discovery and experimental verification of a new aerodynamic concept known as the "area rule," and of its prompt use by the aircraft industry. It is a simple method of reducing the sharp increase in drag heretofore associated with transonic flight, and has already led to gains in speed of more than 1000 miles per hour by supersonic airplanes. Richard T. Whitcomb, aeronautical research scientist at the NACA Langley Aeronautical Laboratory, has just been awarded the Collier trophy for discovery and experimental verification of the area rule, a contribution to basic knowledge yielding significantly higher airplane speed and greater range with same power.

This accomplishment was the result of research begun in 1951 as the first major project made possible by the new transonic wind tunnels. It is important to recall that when the NACA requested and received from the Congress in 1946 funds for these transonic wind tunnels, there could be no guarantee that there would come so early and so large a gain from their use.

Mr. Chairman, the accomplishments reported above in and of themselves justify the expenditures which the Congress has approved for NACA. I take particular pride in the fact that Mr. Whitcomb, the recipient of the Collier trophy, is a native of Massachusetts. If this Nation is to maintain its position in the field of aerodynamics, it is absolutely essential that we give the NACA the implements and the tools with which to continue its vast research and experimentation. The bill before us today authorizes additional construction for facilities and installation of additional equipment in three of the great laboratories in which the NACA does much of its research. The money which will be expended for these improvements is small indeed compared to the benefits that will accrue.

Mr. DURHAM. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That, pursuant to subsection (b) of section 1 of Public Law 672, approved August 8, 1950 (50 U. S. C. 151b), the National Advisory Committee for Aeronautics is authorized to undertake additional construction and to purchase and install additional equipment at the following locations:

Langley Aeronautical Laboratory, Hampton, Va.: Hypersonic tunnel, data-processing system, modernization of an existing tunnel, and an addition to the electric power supply system, \$8,576,000.

Ames Aeronautical Laboratory, Moffett Field, Calif.: Improvements to an existing transonic tunnel and an atmosphere-entry simulator, \$906,000.

Lewis Flight Propulsion Laboratory, Cleveland, Ohio: Improvements to the propulsion systems laboratory and installation of a disposal system for combustion waste products, \$5,962,000.

SEC. 2. Any of the approximate costs enumerated in section 1 of this act may, in the discretion of the Director of the National Advisory Committee for Aeronautics, be varied upward 5 percent to meet unusual cost variations, but the total cost of all work so enumerated shall not exceed \$15,444,000.

SEC. 3. There are hereby authorized to be appropriated not to exceed \$15,444,000 to accomplish the purposes of this act.

Mr. DURHAM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. METCALF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8675) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, had directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. DURHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

WORLD WAR I VETERANS ARE THE FORGOTTEN VETERANS OF THE NATION

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, throughout the Nation today thousands of veterans of World War I are focusing their attention on the House Committee on Veterans' Affairs as it considers pension legislation for World War I veterans based on service, age, and disability.

On behalf of my fellow veterans of World War I, for the past several years

I have been advocating a service pension for the World War I veteran and have sponsored various bills on the subject. This morning I was the first witness to appear before the House Committee on Veterans' Affairs at which time I made the following statement:

THE VETERAN OF WORLD WAR I, THE FORGOTTEN VETERAN OF THE NATION, IS ENTITLED TO A SERVICE PENSION BASED ON DISABILITY OR AGE

Mr. Chairman, once again I am privileged to appear before your committee in support of legislation that will be of special benefit to the veteran of World War I who, in my opinion, is the forgotten veteran of this Nation.

Time and time again from the late 1920's when I served as commander of the Pennsylvania department of the VFW and later in the 1930's as commander in chief of the VFW for 3 consecutive years, and since 1939 as a Member of Congress, the records of this committee will show that I have been a staunch advocate of a pension for the veteran of World War I.

While serving the Veterans of Foreign Wars as a department and national officer, I joined with other veteran leaders in this country in aiding the veteran of the Spanish-American War to get an increase in his pension, which was granted to him 20 years after the close of the war and which, today, amounts to \$101.59.

My support of the Spanish-American War pension was based on my belief in the traditional American concept of giving special grants of one kind or another to those who have performed honorable military service—not as pay, but in token of their fellow citizens' appreciation.

This traditional policy of our Government was established in the days of George Washington and recognized by Congress who granted service pensions to the veterans of all wars from the days of Valley Forge to and including the Spanish-American War.

It was not until after World War I that Congress deviated from this traditional policy of a service pension by substituting a schedule of non-service-connected disability benefits with income limitations.

With the substitution of the program of non-service-connected disability benefits, there was launched a general attack on all veterans' benefits and, especially, against payment of a service pension to the veteran of World War I.

I am sure that many of you have heard the oft-repeated accusation that the veteran of World War I was a Treasury raider, bent on wrecking the Treasury and that he was not entitled to be recognized as being any different than a civilian.

During the days of the fight for the World War I bonus—which I played a part in as commander in chief of the Veterans of Foreign Wars—we were told bluntly that as veterans we should not expect preferential treatment from our Government just because we had served our country in time of war.

This attack on World War I veterans has not only increased in viciousness and intensity, but it has been extended to veterans of all wars from the time of the infamous Franklin D. Roosevelt Economy Act of 1933 to the reports of the Hoover Commission and the added threat of tomorrow from the forthcoming report of the Bradley Commission.

It is interesting to observe that those who sponsored the Roosevelt Economy Act, the Hoover Commission, and the Bradley Commission, at one time or another publicly supported the traditional policy of this country that our veteran population is entitled to preferential treatment.

For example, let me quote President Herbert Hoover in 1931 when he said "veterans in need are, and should be, a preferred class that a grateful country should be proud to honor with its support . . . the principle

that the Nation should give generous care to those veterans who are ill, disabled, in need, or in distress, even though these disabilities do not arise from the war has been fully accepted by the Nation." This opinion voiced by President Hoover has, without doubt, the overwhelming endorsement of the American people.

Mr. Chairman, I appear here this morning in support of any bill that you have before you designed to provide for the veteran of World War I, a service pension based on age or disability.

The records of the Veterans' Administration show that 4,744,000 Americans served in World War I and today the average age of the World War I veteran is about 62 years, with an average death rate of 236 every 24 hours.

These figures reveal that World War I veterans are not only getting old but of the 3,112,000 living on November 31, 1955, over 80 percent of them are married or have dependents.

Mr. Chairman, I mentioned a moment ago that the average age of the World War I veteran is 62 years. However, whether they are 62 years of age or over, it is a well known fact that many veterans of World War I, as they advance in years, are faced with disability, unemployment, or economic circumstances which make it impossible for them to provide an adequate living for themselves or for their dependents.

While I do not have available the exact figures of the number of World War I veterans over age 65, let me read to you an interesting newspaper item carried by the Associated Press under the date line, January 9, 1956, which concerns the plight of Americans over the age of 65:

"Nearly three-fourths of Americans over 65 either have no income or less than \$1,000 a year, according to a study released today. The report was issued by the Twentieth Century Fund, a nonprofit foundation for economic and social research and education. The study reveals that of the population over 65 years old, 36 percent have no income of their own; 38 percent have annual income under \$1,000; 11 percent have between \$1,000 and \$2,000; and 15 percent have \$2,000 or more."

Mr. Chairman, with the average age of the veteran of World War I at 62 today, in the matter of a few years all World War I veterans will be age 65 or over. Therefore, I think the result of the study of the Twentieth Century Fund, which I have quoted, clearly reveals the future economic status of elderly Americans which includes the veteran of World War I.

In revealing the economic plight of World War I veterans as they advance in years, it should be recalled that upon discharge from military service, the World War I veteran received \$60 as a separation allowance which, at that time, barely covered the cost of a civilian suit of clothes or an overcoat when he reached home.

It was 18 years after the armistice of November 11, 1918, before the so-called bonus was paid to the veteran of World War I, and which was designed as an adjustment of the \$30 monthly paid to the American doughboy for military service in 1917-18.

In mentioning the \$60 separation allowance and the so-called bonus, I want to emphasize the fact that there were no fringe benefits, such as terminal-leave pay, unemployment insurance benefits, or GI benefits in general, as received by the veteran of World War II.

Mr. Chairman, I have several bills pending before this committee; namely, H. R. 347, H. R. 8406, and H. R. 9361.

H. R. 347, which I introduced January 5, 1955, was introduced by me in previous Congresses. This bill will increase the amount of disability pension payable to veterans of World War I to \$75 monthly or to \$90 if the

veteran has reached the age of 65 or has been in receipt of a pension for 10 years.

H. R. 8406, which was introduced at the request of the American Legion, amends part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards.

H. R. 9361 was introduced at the request of the Veterans of Foreign Wars and establishes a pension program for the veterans of World War I.

Mr. Chairman, any of these bills are a step in the right direction and I sincerely hope that this committee will perfect and send to the floor of the House of Representatives, at the earliest possible date, a bill that will include an adequate monthly pension for the veteran of World War I, for truly, he is the forgotten veteran.

My suggestions regarding the amount of a World War I service pension are as follows:

1. Seventy-five dollars monthly if the veteran has a disability or disabilities rated at 70 percent or more, regardless of age.
2. One hundred dollars monthly if the veteran has attained the age of 65 or is permanently and totally disabled.
3. One hundred and fifty dollars monthly, regardless of age, if he is helpless or blind, or so nearly helpless and blind as to need or require the regular aid and attendance of another person.

In addition, I think the bill—which I hope you will perfect—should provide outpatient care for every veteran of World War I, who is in need of medical treatment on the same basis as provided the veteran of the Spanish-American War.

In regard to income limitations, I think we have to face the fact that public sentiment supports the view that World War I veterans gainfully employed and in receipt of a reasonable income should not object to an income limitation of \$2,400 a year if single, or \$3,600 if married or having dependents.

I realize that the income limitation is a departure from the accepted principle of paying a service pension without any strings attached. Nevertheless, I am aware of the fact that the precedent has been established of requiring an income limitation on non-service-connected benefits and that Congress is reluctant to approve any pension measure unless it contains an income-limitation clause.

Mr. Chairman, in conclusion, I am certain that it is understood I have been discussing a service pension for the veteran of World War I based on age and disability and I want it understood that the proposed legislation has no relationship to compensation or other benefits now being paid to veterans of World War I, World War II, or the Korean war for service-connected disabilities. I wish to make it clear that I am advocating a service pension for World War I veterans based on age and disability.

As a veteran of World War I and World War II, I hope that my fellow veterans of World War II and the Korean war will support a service pension for the veteran of World War I because, as I have told you in all sincerity, he is truly the forgotten veteran.

AN AMERICAN AID PROGRAM

The SPEAKER pro tempore. Under previous order of the House heretofore entered, the gentleman from Ohio [Mr. Bow] is recognized for 45 minutes.

Mr. BOW. Mr. Speaker, I am submitting today a revision of the President's budget to permit a modest tax reduction for those in the lower income brackets, a sizable reduction in the public debt, and more adequate financing of several essential Government activities. I hope that it may meet with the approval of the Congress and the American people.

I feel certain that these are objectives the majority of the people will endorse.

Several days ago I congratulated the President upon his submission of a balanced Federal budget. All of us know how difficult it has been to reverse the trend toward more and more Government spending. The President has accomplished this objective and deserves commendation.

However, I am not entirely satisfied.

I find that the estimated surplus for the next fiscal year is \$400 million. I think it should be larger.

I find there is no possibility of tax relief unless we have larger reductions in spending or an unanticipated increase in revenue. I find that many pressing Government obligations cannot be fulfilled as they should be. Finally, I find that it is proposed to devote another \$5 billion to foreign-aid programs of various kinds.

Foreign aid is an issue that arouses a great deal of interest all over the Nation. In the heartland of America, between the Blue Ridge and the Rockies, there is no better way to stir up an argument than to mention the billions of dollars that have been poured out since the end of the war. There was considerable support 10 years ago for the relief activities with which our Government endeavored to assist both former ally and vanquished foe. The foreign-aid program at that time was, in fact, a true reflection of the generosity and Christian concern of Americans everywhere.

There is still support for humanitarian assistance. The success of the CROP and CARE programs is proof enough of that. Almost everyone urges that some of our surplus food and fiber be given to others all around the globe who are in distress.

But, you will walk many a mile, and talk to many a citizen, before you find one who is willing to give American dollars to any foreign nation for building its armies or for hydroelectric dams, waterways, hotels, factories, or any other kind of economic aid. Americans know too well the amazing story of Europe's economic recovery. They know too well that their tax dollars are going to governments that are unable or afraid to tax their own people at anything like the exorbitant rates we pay. They know too well, and the recent French elections proved it again, that all of our dollars have not bought friendship nor put any backbone into wavering continental allies.

As one who has consistently voted to reduce and to stop foreign-aid authorizations and appropriations, I say that the time has come when the people of America are determined to call a halt.

Statesmen may know some reason for foreign aid. They may have some justification for continuing the free-handed spending that has cost us some \$60 billion in 10 years. But, they have not convinced the people, and they do not represent the people.

The people have had enough.

I propose to refuse any further authorization or appropriation for foreign aid. I propose to require the International Cooperation Administration to liquidate its operations. I propose that

the unexpended balances, which now total more than \$9 billion, be used as planned over the next 2 or 3 years. I want to give notice to our friends and Allies that the golden goose has regained its senses and will lay no more.

I can hear already the cries of outrage from the ivory towers where such words as these are the rankest kind of heresy. I can visualize the statements that will be issued by those who have a vested interest in this international giveaway program. They will say that we must not affront our allies—we must not shake world confidence in the leadership of the United States—we must not give Russia a propaganda advantage—and so on.

We have heard it all before. I am less impressed each time I hear it. Who is it we fear to affront? The Government of France, with its 150 Communist deputies? Marshal Tito? The mobs in Marseilles who stone our sailors? The Egyptians for whom we are preparing to build a multimillion-dollar water project?

I doubt that we will affront anyone. Rather, I think they will rapidly overcome their disappointment at the loss of our dollars and will respect us more.

Let me repeat that my proposal does not end the program abruptly. While that might be wise, it appears to be impossible. I propose that we permit the program to continue with the \$9 billion in unexpended funds that are already available. My latest report, as of November 30, 1955, indicates that this unexpended balance included \$6,625,000,000 in military assistance money—\$343 million for direct forces support—and \$2,843,000,000 for other assistance.

Of this amount—again as of November 30, 1955—I am informed that \$2,400,000,000 was unobligated.

At the rate of expenditure indicated by the early months of this fiscal year, these funds will continue to operate a program of foreign assistance for 2—and perhaps 3—more years.

This should allow ample time for the recipients of American assistance to adjust their budgetary operations. It will allow time for the American firms, holding foreign-aid contracts, to build up other business. In this regard, the large sums of money that will become available in our own country should assure that there will be ample business of all kinds to maintain a high level of production and take up any slack that may be created because foreign assistance has ended.

We should refuse to authorize or appropriate any additional funds for foreign aid.

This simple and sensible decision will immediately increase our anticipated budget surplus to \$5,200,000,000.

Let me show you what the people of America could do with this.

DEBT REDUCTION

My position has been that debt reduction should be the first reward of a budget surplus. We are paying about \$7 billion per year on interest on the public debt. Most of this, of course, is money we borrowed to give away to foreign nations. Interest we have paid so far on money

borrowed for foreign aid amounts to more than \$18 billion. Since no foreign government contemplates repayment of our assistance—and in most cases we have not even suggested it—it seems to me that we should begin to reduce this interest burden.

If we eliminate new appropriations and authorizations for foreign aid, we should devote at least one-half of our budget surplus to debt reduction. Although the \$2,600,000,000 would amount to only about 1 percent of the public debt, I think it would be a very important and auspicious beginning.

As the President has said, it will establish our financial integrity.

TAX REDUCTION

Having applied one-half of our balance to the retirement of debt, I believe we must also give consideration to tax reduction.

Two years ago we reduced taxes by over \$7 billion. That was the largest tax reduction in the history of any nation.

Even so, Americans now carry a heavier tax burden than the people of any other nation on earth, including all of those who have benefited from our largesse.

Our Canadian neighbors have enjoyed several tax reductions since the end of the war. If we were to adopt Canadian tax rates, our Federal revenue would be reduced by \$8 billion. Similarly, our dollars have been used to lighten the burden of taxpayers in many other countries. It is time that we had additional tax relief ourselves.

I suggest that Congress consider a \$20 tax credit to each individual income-tax payer, as outlined in plan No. 5 of the Joint Committee on Internal Revenue Taxation. This plan would reduce Government revenues by \$1,113,000,000, primarily by reducing the tax payments in the lowest income brackets. Some 3 million taxpayers would be relieved of any Federal income-tax payment. Eighty-three percent of the benefit would accrue to those with incomes under \$5,000.

This is a plan that could be put into effect almost immediately. It would put additional cash into the hands of those who need it most. It would take care of the need for tax relief in the lower income brackets pending a general overhaul of the income-tax structure, which I hope the Congress will undertake in the near future.

Like the wage earner in the lower tax brackets, the small businesses of this country also need tax relief. I suggest that we consider a proposal to reverse the present normal and surtax rates on corporate income. At present, as we know, the normal tax on the first \$25,000 of corporate income is at the rate of 30 percent and the surtax is at the rate of 22 percent. If we were to reverse this structure and make the normal rate 22 percent and the surtax rate 30 percent, we would give a reduction of up to 26 percent to the business firm in the lowest bracket. We would not increase any corporation's tax. We would suffer a reduction of revenue estimated at three to four hundred million dollars. And we would stimulate small business at a time when it badly needs help if it is to survive.

These two tax programs need not be permanent. As I have indicated with regard to personal income tax, I believe we should strive for a general overhaul of rates that would be more equitable to all.

The total loss of revenue for 1 year would be an estimated \$1½ billion. With the elimination of new foreign-aid appropriations, we can afford this tax relief, as well as the \$2,600,000,000 debt reduction already mentioned.

DOMESTIC GOVERNMENT

Members will note that I have not accounted for \$1,100,000,000 of the surplus that would follow upon the end of the foreign-aid program.

As a member of the Appropriations Committee, I have been acutely aware of the fact that we have been slighting our own welfare in order to have funds available for foreign purposes.

Many necessary and desirable domestic programs have been postponed or inadequately financed because of our large foreign and military commitments.

All of us remember how the Truman administration refused to recommend new starts in reclamation and flood control work because it was said we could not afford them. At present our good friends and colleagues from the Intermountain West are waging a difficult campaign for the upper Colorado River Basin project—yet we find that the foreign-aid program envisions many millions for a similar program on the Nile River—and there is little objection to that. I have not yet committed myself on the Colorado project, but I will say that if the Government of the United States proposes to spend a billion dollars—or any part of it—on water projects, I am for spending it on the Colorado rather than the Nile.

This is only an example of what I have in mind. I have gone through the President's budget carefully, seeking to find those programs where we have favored foreign nations while neglecting our own institutions, our own resource development, and our own people. My proposal to stop foreign aid will make it possible to give adequate financial support to these worthy domestic endeavors. I am submitting a chart listing some of the proposals that could use—and should have—better support. I would like to discuss each of them briefly.

NEW HIGHWAY LEGISLATION

Perhaps the first thing that comes to mind is the proposed new highway legislation. This legislation failed to pass the House last year because controversy over financing arose. Now, the Ways and Means Committee is considering a bill that would increase taxes on all highway users in order to finance the program. Our mail is heavy with complaints from those who would pay the increased taxes—and we are urged to exempt one group—lay the burden on another—charge the truckers more—and so on. Indicating there is considerable alarm throughout the country at the prospect of additional taxes on highway users.

A large part—and perhaps all—of this anxiety could be avoided if we would resolve to stop foreign aid and devote

our present revenue to our own purposes.

Under my proposal, up to \$1 billion per year—out of the present revenue—could be made available to the new highway program. We could finance the badly needed improvements in American highways with the money we are now giving away for foreign aid. We would not have to add to the already heavy burden of those who use the highways. In this connection, let me say that additional taxes on truckers eventually will mean higher rates for farmers, businessmen and consumers on everything that is transported by trucks. Like the proposed increase in rail freight rates, such an increase would mean a general increase in the costs of doing business.

I strongly urge this as the solution to the highway finance problem.

DOMESTIC GOVERNMENT

I find the Federal Communications Commission is a regulatory agency with a considerable backlog of work. It is entirely proper for the Federal Government to regulate this field. Assuming the power to regulate carries with it an obligation to act promptly on the petitions and applications citizens submit.

Failure to act promptly impedes progress and is costly to individuals whose funds are thus tied up for long periods of time. I propose an increase of \$100,000 to permit the FCC to enlarge its staff sufficiently to get its work current. This need not be a continuing appropriation. I do not think it should be—after the present heavy expansion of the industry is cared for.

Second. The Smithsonian Institution, storehouse of the Nation's historic, scientific, and natural treasures, is not able to provide the kind of service a national museum should provide. It is years behind in its modernization program. I propose that we use a part of our surplus to improve this service to the people, and have set down the tentative figure of \$1 million to expedite the modernization program.

PUBLIC BUILDING IMPROVEMENTS

The condition of our public buildings has been allowed to deteriorate alarmingly during the years since World War II began.

We have devoted so much of our money to war and foreign aid that we have not been able to make any but the most critically needed repairs to our public buildings. The General Services Administration is now embarking on a 10-year program to eliminate the backlog of repairs and improvements that our buildings need. This means that some Americans will have 10 years to wait before an adequate and proper post-office building is able to serve their needs. It means that some Government workers must labor for 10 years in inadequate, poorly arranged, and poorly lighted structures where it is well known that their efficiency and the service they render is not their best. I propose to make available out of the surplus this year an additional \$56,700,000 to remain available until the General Services Administration has completely wiped out its backlog of needed repairs. Perhaps

it cannot be completed in the next fiscal year, but it should be done as swiftly as possible. It is an expense that will not recur if we will keep this work current.

CONSERVATION

Agriculture is of prime interest to almost every one of us. While there are some necessary and worthwhile increases in the program recommended by the President, I feel that they do not go far enough.

It seems to me that a 25-percent increase in agriculture research, to be devoted especially to improved marketing and distribution of farm products and new uses for food and fiber, would be a wise expenditure. It will add, as the table shows, just \$8 million to our budget.

Plant and animal disease and pest control is another item that has an important economic bearing on the welfare of our own people. We suffer each year a terrific economic loss through disease and pests. It seems entirely just to me to propose an increase of \$10 million which will enable us to accelerate all of the various disease and pest-eradication programs, with resulting benefits to the entire Nation.

A good example of a program that requires greater support is the eradication of the gypsy moth. This insect threatens the hardwood forests of 25 States, including Ohio. Yet, only \$500,000 has been requested for its support. I think we should undertake a vigorous program to control the gypsy moth where it is found and prevent its spread into other areas of the Nation.

The Forest Service has been neglected for too many years.

For example—the program for reforestation in national forests is based upon the planting of 20,000 acres per year. Four million acres need reforestation. If we give this program the attention it deserves, I believe we should increase it tenfold.

Also, the reseeding of national forest lands is lagging far behind what wise conservation practices indicate. It is based upon the reseeding of only 60,000 acres per year. Again, I think this program could well be increased tenfold.

The President's budget includes \$1,850,000 for these 2 programs. I propose that it be increased to \$18,500,000, which would take only \$16,650,000 from our \$5,200,000,000 surplus.

The soil-bank programs contemplate the shift of many millions of acres into forage and timber. I am hopeful that a great many farmers will recognize the wisdom and long-term value of growing timber on these acres. Such an increase in farm woodlots and small-timber areas will require additional forest research, however, and will place a much heavier burden on the various programs under which the Forest Service and the State forestry departments cooperate. I think that a necessary corollary of the soil-bank program is a modest increase in these Forest Service activities.

I have proposed an additional \$1,100,000 for forest research and an additional \$4 million for cooperative programs—the latter to be made available only as next year's State legislative sessions provide their proper share of a larger program.

With so much emphasis now being placed on conservation, I do not believe that we should permit any area of the Federal Government's land resources to fall behind.

Still in connection with the soil-bank program—and the effort to reduce crop acreage—I suggest that we consider an increased rate of acquisition of private lands to be added to the national forests under the Weeks law. I am distressed to note that there is no provision for this program in the budget. I believe it should be supported to the extent of \$2 million, and the National Forest Reservation Commission should be urged to expedite its program—especially in areas where desirable acquisitions are, or have been, under cultivation.

I am certain all of us will recognize how the activities of the Soil Conservation Service fit into the general picture. I believe that sizable increases are warranted for conservation operations, watershed protection, and flood prevention.

COMMERCE DEPARTMENT

Turning now to the Commerce Department, I am suggesting a sizable increase in funds for the Patent Office. Heretofore, we have been anxious to expedite the work of this office—but we have been faced with a budget deficit that prevented additional appropriations.

With the end of the foreign-aid program, this consideration no longer would apply. We could give the Patent Office sufficient funds to eliminate its backlog of work and keep future work current. This is a service our Government has agreed to perform for the people. Performance has been slow and the service inadequate. Let us make it the kind of service the taxpayers have a right to expect.

Also in commerce, the Civil Aeronautics Administration should receive funds for a greatly increased program of air safety.

The CAA made headlines recently when an official was quoted as saying that there were at least four narrow escapes every day when airliners barely avoided mid-air collision. The safety and welfare of the American people demand an accelerated air-safety program.

My good friends from California have asked for a modest sum of money to increase research on earthquakes. The sum of \$700,000 appropriated to the Coast and Geodetic Survey might provide extremely valuable knowledge, and I believe that we can afford such an expenditure if we eliminate foreign aid.

Under the Defense Department, I have suggested only one item—a proposal to reimburse the Muskingum Conservancy District for the amount owed it by the Government. The Corps of Engineers and the district have agreed that the debt is \$535,000. It should be paid. All legitimate obligations of the Federal Government should be paid—and paid promptly.

The Public Health Service can profitably use, for the long-term advantage of the Nation, small additional amounts for its water-pollution studies. I think these are of vital importance.

Also, it has been widely suggested that the National Heart Institute requires a larger program, and I have proposed sufficient additional appropriations to give this agency \$30 million in the next fiscal year.

Dental research may also merit increased support.

NATURAL RESOURCES

The Interior Department is another conservation and housekeeping agency which has been unable to do a proper job because there was never enough money left after our foreign friends received their handouts.

I suggest that an additional \$3 million be appropriated to the Geological Survey and the Bureau of Land Management, to complete mapping and cadastral surveys here in the United States. Large areas of our own Nation have not yet been surveyed. The work must be done before we can have full knowledge or development of our resources. I think that this increase should be made an annual appropriation until the basic work is completed.

The Bureau of Land Management is also in need of an increased staff to reduce a terrific backlog of oil and gas, and other applications. There should be no backlog. We should be able to expect prompt attention to our applications. I suggest an added \$1 million to enable the Bureau to bring its work into current conditions.

The Bureau of Mines can and should contribute far more to our knowledge of mineral resources—and how they may be developed—than its former budget permitted. I think an additional five million, primarily for research, should be made available, and could be used to our everlasting advantage as a nation.

The National Park Service has been sadly neglected. We now have before us a 10-year program that will overcome the accumulated deficiencies in the system, and provide the necessary accommodations, protection, and facilities for the millions of Americans who visit the parks each year. The first year's program for this purpose will cost \$66 million. I propose that we provide the full amount.

Although not conversant with the details, I believe that we have a serious school situation in the District of Columbia, and that the Federal Government, with the surplus indicated by the cessation of foreign aid, should increase the Federal payment to the district in whatever amount is required to provide a proper school system in the Nation's Capital. I should think that \$2 million would be adequate.

There may be many other programs of the kind I have listed—programs that are necessary, proper functions of Federal Government—programs that have been neglected during the years of our preoccupation with the needs of other nations. If so, I think there is room in the budget for them.

All of the increases I have proposed would cost only \$204,879,000. Just 3 percent of the amount saved by eliminating the new request for foreign aid.

SUMMARY

In summary, I propose to eliminate all new appropriations and authorizations for foreign aid. This will save us \$4,800,000,000 proposed by the President. Added to his estimated surplus for the next fiscal year, we will have \$5,200,000,000 to devote to our own rather than foreign programs.

I propose it be used as follows:

For debt reduction.....	\$2,600,000,000
For tax relief for individuals.....	1,113,000,000
For tax relief for small business.....	400,000,000
For proper support of domestic agencies.....	204,679,000
For highways.....	900,000,000
Total.....	5,217,679,000

I welcome suggestions and comments on this program. I hope that many will see the wisdom of the proposal. If we can lift the burden of foreign aid, we can do all of these things.

It seems to me it is high time we began to take care of Americans.

Budget increases suggested by Mr. Bow

Independent agencies:	
Federal Communications Commission.....	
Smithsonian Institution.....	\$100,000
General Services Administration — Public Buildings Service.....	1,000,000
Agricultural Research Service:	56,700,000
1. Research.....	8,000,000
2. Plant and animal disease and pest control.....	10,000,000
Forest service:	
1. Resource development.....	16,650,000
2. Forest research.....	1,100,000
3. State and private forestry cooperation.....	4,000,000
4. Acquisition of lands for national forests (Weeks Act).....	2,000,000
Soil Conservation Service:	
1. Conservation operations, SCS.....	5,000,000
2. Watershed protection.....	2,000,000
3. Flood prevention.....	3,000,000
Commerce Department:	
Coast and Geodetic Survey.....	700,000
Patent Office.....	3,000,000
CAA, air safety.....	5,000,000
Defense Department: Civil functions (Muskingum district).....	535,000
Health, Education, and Welfare:	
Water pollution.....	1,000,000
National Heart Institute.....	7,894,000
Interior Department:	
Geological Survey.....	1,500,000
Bureau of Land Management.....	2,500,000
Bureau of Mines.....	5,000,000
National Park Service "mission 66".....	66,000,000
District of Columbia: An additional Federal payment sufficient to complete modernization of school facilities, add new facilities, and reduce teacher load to acceptable level.....	2,000,000
	204,679,000
For new legislation: Interstate highway system, first year.....	900,000,000

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Is there available a list of the obligated and the unobligated funds, showing their purpose?

Mr. BOW. Does the gentleman mean in the foreign-aid program?

Mr. NICHOLSON. Yes.

Mr. BOW. That list could be secured from the ICA.

Mr. NICHOLSON. The unobligated funds are about how much?

Mr. BOW. The unobligated funds are something over \$2 billion.

Mr. NICHOLSON. And the unexpended funds are about \$7 billion?

Mr. BOW. That is about right. In other words, they could do this. They could continue the present program for a period of 2 or 3 years even though we appropriated nothing this year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman for the excellent presentation he is making on this very important subject. I trust that he remembers that not so very many months ago, Dictator Tito in Yugoslavia gave our Secretary of State, Mr. Dulles, a nice ride in a speedboat, and it was immediately announced we would fork over millions of dollars to build a superhighway in Yugoslavia. I understand we are now building a superhighway in Jordan that for all practical purposes begins nowhere and ends nowhere. I understand we have built roads in the Belgian Congo. I certainly subscribe to the gentleman's statement that we should stop any appropriation for foreign aid this year and use the money thus withheld in behalf of the people of America.

Mr. BOW. I thank the gentleman from Iowa.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman is making an interesting statement, of course, but I assume the gentleman noticed in this morning's papers that the Secretary of State has indicated that we need a long-term foreign-aid program.

Mr. BOW. I listened with great interest to the statement the Secretary of State made in Philadelphia when it was being televised, as I say, with interest, knowing that I was going to be on the floor today, and knowing that with the amount of money that has been appropriated and that now is in the foreign-aid cash register, so that they can continue for a period of almost 3 years, we should begin to think about the people at home. I hope the gentleman from Oklahoma will think, too, about some of his people out there and some of the needs that they have in Oklahoma, and join with us in an attempt to reestablish these things in this country.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. GROSS. Again I want to commend the gentleman and concur with him heartily in his proposal. His talk is most timely in view of the fact that the President of Italy is to be before the

House this week, apparently seeking further handouts for his government.

I hope that when the President of Italy appears before the House of Representatives he will at least make it plain whether he is or is not advocating United Nation's recognition of Red China.

Mr. BOW. I thank the gentleman.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a summary.

The SPEAKER. Is there objection to the request from the gentleman from Ohio?

There was no objection.

JUAN PERON

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. TUMULTY] is recognized for 15 minutes.

Mr. TUMULTY. Mr. Speaker, last week I had occasion to make certain remarks with respect to an unwelcome guest which this Government had in the person of one Juan Peron, ex-Dictator of Argentina, who was overthrown by the people of Argentina and who was residing in luxury in the Hotel Washington, of all places, which is owned by the Canal Zone Company, which, in turn, is owned by the United States Government.

For some months Mr. Peron, after having throttled the liberties of the Argentine people, has been enjoying a holiday that would be out of the realm of financial possibility for any ordinary citizen here in America.

After he was thrown out by his people he made his way through various Latin American countries and wound up in Panama. He wound up in the Hotel El Panama. He complaining of the prices decided to leave there and he transferred to the Washington Hotel.

I complained to various people about the propriety of his staying in this Government-operated hotel where he luxuriated. But nobody wanted to embarrass anyone, so nothing was said for quite some time. However, once a dictator, always a dictator. It has been well said that Bourbons learn nothing and forget nothing; so Mr. Peron, this unwelcome guest, started to plan from the Hotel Washington his return over a sea of blood to the people of Argentina. All this time he was, as I say, residing in property owned by this free country.

Last week I suggested that the United States throw him out of the hotel. I said we should very bluntly tell him: "Hit the road, bum." And after that I got a call from the State Department, which never calls me—I have never heard from them except the first days when I was elected to Congress when I got a high-school sophomoric lecture from them on elemental civics. The representatives of the State Department chided me for my attitude. I told them we had got to get rid of Mr. Peron. The representative of the State Department said they had wanted to get rid of Peron for some time and that they had tried to in a very diplomatic sort of way, but they were making slow progress. I

told them we should be vigorous and get him out of there, that to let him stay was not fair to decent people everywhere. At about this time statements were appearing in the Herald Tribune, for instance of February 20 of this year, in an article written by Joseph Newman, a correspondent of that paper. He quoted Peron as saying: "When I return to Argentina many heads will roll, it will be terrible, perhaps as many as a million will be killed." All this taking place in a hotel which we own.

Now, some of the poor taxpayers of the United States could not get into that hotel, yet here was this 20th century Nero conducting himself in a fashion that if you and I had conducted ourselves in a Washington hotel we would have been thrown out.

He brought with him, I understand, various people who share his use of this hotel and who make his life more leisurely for him in his spare moments, by helping him in his plotting.

At any rate I was pleased to read that the State Department and the Defense Department over the weekend have at long last said that they have instructed the Governor of the Canal Zone to put him out.

Reading from the New York Times I understand that the State Department announced on February 25 that it had taken steps to force Juan D. Peron, former Argentine dictator, to leave the Government-owned Hotel Washington in the Panama Canal Zone.

The action came after several Congressmen had protested. I am the "several Congressman" who protested. Although some consider me a singular person—the plural is a better description. I do not say that he is inaccurate when he says several Congressmen, but I am that "group"; and as I say while I am not "Congressmen" in the plural, nonetheless, I am probably the size of two average Congressmen, at least, and them with their briefcases loaded with books thrown in.

But the papers said the action came after several Congressmen had protested—and again I say I am the "several"—against permitting the ousted Argentine president to live in the hospitality.

A State Department spokesman said that the decision was made "some weeks ago." He said that if Senor Peron continued to stay at the hotel "it could be incorrectly construed." The State Department went on to say that some weeks ago the Departments of State and Defense had concluded that Mr. Peron should establish a domicile—how very tender. How solicitous—a domicile outside the Washington Hotel in Panama. He said that it was a transient hotel. I do not know whether that hotel moved around or not, but he said it was a transient hotel and that any stay giving the appearance of permanent residence could be incorrectly construed. How else could it be construed?

How did this dictator, this despoiler of all that democracy stands for, get to occupy a hotel run by our Government in the first place. Surely this shocking laxity should be investigated by some

appropriate congressional committee. What type of example are we giving to the free world when we set ourselves up as the harbor for stranded dictators? It has been said that old soldiers never die, they just fade away. Apparently old dictators never die but go on a luxurious vacation in hotels run by the United States Government—if this is to be considered a typical example of our diplomacy. I am glad to say that the State Department and the Defense Department have acted, even though belatedly.

One newspaper says that Peron wants this notice to get out in writing. It is remarkable how legalistic dictators get when their own skins are involved. The best way to get rid of him is to take him by the scruff of the neck and heave him out. Get 2 good marines down there to do it, or 2 good hotel "bouncers."

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the distinguished gentleman from Illinois.

Mr. MURRAY of Illinois. The gentleman from New Jersey has rendered a real service to the people of this country so far as demonstrating to our friends in South America that we do not agree with the proposition of our Government furnishing a spa to deposed dictators. I was wondering about this: Most hotels in this country in accordance with municipal regulations are required to keep registers of their guests and are required to make some inquiry prior to the time they receive a guest. The thing I am wondering about is, consistent with those rules and regulations, how did this deposed dictator gain admission into the hotel in the first place?

Mr. TUMULTY. In answer to the gentleman from Illinois, I may say that is the \$64,000 question.

Mr. MUMMA. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I am trying to answer the question asked by the gentleman from Illinois. I may appear to be large enough to answer two questions at once, but I have not mastered that as yet.

Mr. MUMMA. I can explain something to the gentleman.

Mr. TUMULTY. I yield to the gentleman to explain how Peron got in there in the first place.

Mr. MUMMA. I am not defending Mr. Peron in the least, but may I say that the Washington Hotel is owned by the United States Government but it is run by a concessionaire. We own it but it is leased to a concessionaire. I do not know any more about it except the gentleman says it is run by the Government.

Mr. TUMULTY. That is right.

Mr. MUMMA. Technically it is run by a concessionaire.

Mr. TUMULTY. Then it is misrun by the concessionaire.

Mr. MURRAY of Illinois. Even though it might be run by a concessionaire, I think most communities have regulations that would enable the hotel to deny access to it of nuisances. I think we ought to have some sort of regulation to deny access to our hotels by those who are nuisances.

Mr. BYRNE of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Pennsylvania.

Mr. BYRNE of Pennsylvania. It was my understanding that the hotel was leased. They repaired it, painted it, and so forth, to brighten it up. They did not make a go of it and they turned it back to the Panama Canal Company and it is run, according to my understanding, by the Panama Canal Company.

Mr. TUMULTY. There is no doubt in my mind but what the Panama Canal Company runs it. The Government owns it and is running it now, as evidenced by the belated action of the State Department and the Defense Department that they can get Peron out. They could have done so 2 months ago.

Mr. Speaker, I have received a letter from an Argentinian, which I shall read, however I am not going to reveal the name of the gentleman who sent it, for obvious reasons.

The letter says:

You complain, and quite justly, about Peron's recent statement that he would purge a million of his enemies if he ever returns. The statement is stupid, since Mr. Peron proved to be a yellow—

And then he calls Peron a name that I cannot repeat here on the floor. Continuing—

from his refuge in Panama, protected by your Government, does not stop there. I am enclosing four pages of today's paper in order to illustrate you about the acts of sabotage which are going on here, ordered by Mr. Peron from the Washington Hotel. There is proof, which you will surely get if you do some research, that the former dictator has engraved records giving sabotage instructions to his paid murderers here, and has written pamphlets, dated in Panama, to the same effect.

Mr. Speaker, that brings me to the second portion of my address.

Recently the State Department entered into a treaty with the Republic of Panama and in it is proposed that certain land and property be transferred to Panama. Among the properties to be transferred is this very same hotel, the George Washington. Now, so far no legislation has been introduced to effect the transfer of this hotel, so I feel that if Mr. Peron is still in Panama, even though he may be out of the hotel while this legislation is pending—and I speak only for myself—I would not be disposed to vote for the transfer of that property to the Republic of Panama. It seems to me that the presence of this dictator, this man who is the antithesis of everything the United States of America believes in, ought not to be condoned by our sister Republic. I realize, of course, that Panama has to run her internal affairs in her own way, and I am not attempting to interfere in any way except when it comes to voting here in this House I am going to be voting for the best interests of our own country. I do not know how Mr. Peron got into the hotel. He was there, as I say, from November through December, January, and February. He may be there now, for all I know. I do not know whether they have actually physically put him out or not, but whether they have put him out or not I would be very much interested to find out how he got in there in the first place,

how it was this came about, how it was that no one, apparently, in our Government, took steps to put him out. All I know is that it is a bad place for him to be; it is bad for our Nation; it makes us look as a Nation which condoned what this man did. It may be true in Latin America that they have the principle of providing asylum, but this fellow is different. As I said last week, when it comes to a showdown, he makes Frankenstein and Dracula look like good citizens. When he goes swimming the fish near him die of shame. He is a man who has throttled to death liberty, he is a man who has made democracy his enemy, and he is a man who openly proclaims he is going to murder a million people. He is certainly not the kind of a man to have on our property. It is a dubious tribute to George Washington to have a hotel named after him suffer the indignity of the Peron carcass in its halls, for Peron is a man who stands opposed to all of Washington's ideals. So, let us tack up on that hotel not that Washington slept here, but that Peron was kicked out of here.

I would like to refer to another letter from Argentina which says "Very important." The author of this letter suggests that I limelight the statement of Argentina's provisional President who, when asked where he thought Peron should go, said "to Russia, which is a dictatorship adequate for him."

So, I would like to bring my remarks to a close by at least saying that the State Department and the Defense Department have done the right thing at long last about getting him out of the hotel. I wish they would have acted sooner. I call upon them to explain as to how Peron got in there in the first place. At any rate, let us get him out of the hotel, and I hope the Republic of Panama will get him out of Panama. I know where he should go, but he is not ready for it yet. The Western Hemisphere would be well rid of him.

Mr. BOYLE. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Illinois.

Mr. BOYLE. I think for the edification of the State Department that they ought to think in terms of quit sleeping with any dictator. In everything that the gentleman has said it applies with strong force and effect to Peron. But, I do not think the State Department would have to look very far or look very ardently to see a lot of other dictators that have holes in their stockings and who probably are not worthy of our tender society and association as well.

Mr. TUMULTY. I may say perhaps we could suggest to the State Department that instead of massive retaliation their motto should be "massive exasperation."

FLAMMABLE FABRICS ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD], is recognized for 10 minutes.

Mr. CANFIELD. Mr. Speaker, recent correspondence I have received from the

Japanese Chamber of Commerce of New York, and a New York importing firm indicates to me that the movement is being revived to weaken the Flammable Fabrics Act by exempting lightweight silk scarves from its provisions.

As my colleagues know, I have long taken the position that nothing should be done to weaken this act, which was developed to safeguard the public and protect persons from suffering and death by fire. To satisfy the demands of manufacturers, the act was amended by the 83d Congress to lower somewhat its standards, but even with this, certain lightweight silk scarves could not comply and efforts were put forward last year to grant them outright exemption.

At that time I voiced strong objections to any further emasculation of the act, and was supported by textile labor groups and certain manufacturers. We were successful in defeating this move by way of an amendment that would have exempted such scarves from its provisions. A rule to bring up the bill for House action was overwhelmingly rejected.

Textiles importers and distributors, moved by economic considerations are apparently about to renew their fight, and thus free for sale and distribution in this country, millions of dollars of inventory in stocks, here and abroad, that do not meet the act's requirements.

I cannot agree with the reasoning that because there is no record of anyone having been burned seriously by having one of these scarves ignite, or that a scarf knotted about the neck could be easily removed should such an incident occur, this is sufficient cause to dilute this law, enacted only after years of study and effort.

The time to act is before tragedy strikes and lives needlessly lost. Locking the barn after the horse has been stolen may prevent similar recurrences, but we have in the Flammable Fabrics Act the protection to prevent tragedy. Are we then going to throw this away and wait until flame searing death strikes some child or woman, and moves us again to clamor for the protection we once had and willfully relinquished?

I want to reiterate here and now, I will never withdraw from the position that the Flammable Fabrics Act must not be further weakened, that no item of wearing apparel, and a scarf knotted about the throat assuredly rests in that category, shall be exempted from its provisions.

It is unfortunate that the Japanese people with all their technical skill, their ingenuity and inventiveness, cannot develop processes that would make it possible for them to produce a lightweight scarf that would meet the standards of the act. But until they are willing and able to take this step, I will continue to fight for the scarves' exclusion and the exclusion of the products of any manufacturers, domestic or foreign, which do not meet its standards; to safeguard the lives of the men, women and children who may become the innocent victims of human negligence and greed.

THE CHARLESTOWN (MASS.) BOYS' CLUB

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. O'NEILL] is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, it is 25 years ago since I joined the Boys' Club of Charlestown, Mass. I remember the dues—1 cent a year, the greatest bargain a boy could get—swimming, basketball, gym—everything to attract and brighten the heart of a growing boy—Nate Hurwitz, a great athlete, stern disciplinarian, admired and respected by all the boys. Many fine men were molded in the Charlestown Boys' Club.

In the February issue of Reader's Digest there is an article in praise of boys' clubs. I am in agreement with the amount of good boys' clubs do, but the article indicts the citizens of Charlestown, many of whom are the parents of today's members of that boys' club.

Charlestown is a small community, historically famous and a part of Boston proper. A great number of its citizens earn their living either at the Boston Naval Shipyard, or on the waterfront. Hardworking, honest, and sincere, the people of Charlestown are devout in their religion, which is mostly Catholic. Their family life is clean and strong, built on a love of God and country, and ever respectful of the laws of man.

So incensed are the people of Charlestown at the unjust criticism, the deliberate falsehoods, and the inaccurate misstatements, that a citizens' meeting was held to discuss the article, and to urge the editors of the Reader's Digest to print a retraction. It is a privilege for me to join with them, and I hope that the Reader's Digest will speedily retract the erroneous statements and correct the wrong which they have done. The Reader's Digest has not told the truth to its readers. It has printed an article using manufactured figures to color a story which have maligned the good name and respect of all of the decent citizens of Charlestown. The American people have always guarded the freedom of the press, but they demand that we have an honest press.

I am enclosing two articles from the Boston Pilot, the official newspaper of the archdiocese of Boston, which I wish to commend to the attention of my colleagues in the House.

The articles follow:

[From the Boston Pilot of February 18, 1956]
READER'S DIGEST HAS "CLUBBED" CHARLESTOWN
 (By Rt. Rev. Daniel T. McColgan, Ph. D.)

(The author, a native of Charlestown and presently director of Nazareth, is a recognized scholar who has done extensive research on questions of social science.)

"Club" is variously defined by Webster as "a weapon for delivering rough blows"; an association of persons to promote a common object." In the title "Boys' Clubs of Boston" the term obviously is used in the latter sense. However, without any publicly noted dissent on the part of this association's administrators, the Boys' Club has been recently used as a weapon for delivering some very rough blows at least two sections of Boston, namely, South Boston and Charlestown.

The attack was launched in the February 1956 issue of Reader's Digest, in an article by

roving editor William L. White. Mr. White begins the assault by mentioning South Boston, "where cops once went in pairs." As a secret admirer of the people of South Boston, I am certain that their stature is not less noble, their virtues not less numerous and rich than are those of the people of Charlestown. I would be presumptuous, perhaps, to speak for them, but I am a native and lifelong resident of Charlestown.

Having dealt with South Boston, Mr. White turns to my "home town" and writes:

The nearby Charlestown district is a square mile, bounded by two rivers and a harbor, noted for its tough characters. Many broken families live here, and it has the fourth highest adult crime rate in the State. Yet, because it also (sic) has a Boys' Club it is third from the bottom in juvenile crime, which last year dropped another 7 percent while its adult crime rate rose.

The impressions thus conveyed to the reading public throughout the country are cruelly false. The evil is aggravated by the fact that Reader's Digest policy provides no hope of retraction nor fair opportunity for retort. In the hope that in some slight way the reputation of a maligned community may be repaired, I offer this document.

Let me say at the outset that while I disavow Mr. White's characterization of Charlestown and lament Mr. Burger's collaboration therein, I join both of them with alacrity in acclaiming the easily verified achievements of the Boys' Clubs which on the local level were launched in New England nearly 100 years ago, and whose national organization, The Boys' Club of America, formed in 1906, is celebrating its golden jubilee this year.

It is indeed regrettable that an article dedicated to the laudable task of publicizing the work of the Boys' Clubs should be marred by gross distortions of truth, outrageously illogical conclusions, unwarranted slurs and gratuitous assumptions.

SAINTS AND SINNERS

It is not my purpose to deny that Charlestown has had its sinners. However, I do believe that if these poor souls were to crush their besetting sin by becoming totally abstinent (and I don't mean from chocolate), especially if their good resolutions were seconded by local tavern keepers who cooperatively might close their emporia and depart to other pursuits in their distant, "dry," suburban habitats, then Charlestown would be truly the land of saints. Indeed, it has had and still has more than its share of them in spite of prevailing temptations.

Charlestown family life has traditionally been strong, pure, fruitful and integral. Crimes of a sexual nature have been almost nonexistent. Deliberate crimes of violence have been remarkably rare among her citizens.

Surely the Reader's Digest would not wish to ascribe to Charlestown the evils, and evildoers, at the State's prison. Surely the denizens of the "clubs" on Chelsea Street, Main Street and Sullivan Square are not representative Charlestownians. These institutions unfortunately and much to the dismay of its citizens are in Charlestown, they are definitely not of it. Charlestown serves as a crossroads leading directly from the heart of Boston to the north. Daily an estimated quarter million travelers use its streets. Surely, the moral missteps of these strangers should not be cited against the reputation of our native sons.

When one thinks of Charlestown, it is not images of the delinquent or dissolute that flood one's mind. One recalls hardworking men who earn their daily bread on the docks, in the Navy Yard, in the freight yards, and elsewhere in public or private employment. These men are faithful to their families, their God and fellow men. A simple priest walking through the streets of Charlestown finds a nonsaluting passerby as

rare as does an admiral aboard his flagship. And no admiral could be half so proud to be saluted by a fellow serviceman as I am to be greeted with a "Good morning, Your Reverence," by the longshoreman whose mammoth left hand has just passed over his mouth to remove a favorite corn cob while his right hand doffs that now rare bit of masculine attire, a hat or cap.

The wives of these men are at home "keeping house" and rearing the priests, nuns, teachers, doctors, lawyers, the soldiers, sailors, marines, airmen, businessmen, and women of tomorrow.

Yes, there is an occasional adult and juvenile black sheep. That there are not more is certainly not the achievement solely of the boys' club as the Reader's Digest writers would seem to allege.

PARENTS AND PARISHES

That Charlestown is a law-abiding community of earnest citizens of modest means is due mainly to the good fathers and mothers whose name is legion. They are aided and abetted in their task by three well-knit, finely organized parishes served by a dozen or more zealous diocesan priests who care for the spiritual needs of the town. You see, Charlestown is predominantly Catholic. For its Protestant brethren there are available the ministrations of several churches and devoted clergymen. There are no Jewish religious facilities.

Nearly 60 nuns staff 3 parochial schools wherein over 1,800 children are taught. Additional hundreds of children are instructed and edified by scores of dedicated and talented public-school instructors.

Nine Little Sisters of the Assumption literally fly on their errands of mercy to the sick. The poor in worldly as well as spiritual goods are sponsored and succored by fellow laymen in conferences of the Society of St. Vincent de Paul, and men and women in parish units of the Legion of Mary.

The parochial units of the Catholic Youth Organization annually boast of champions in swimming, basketball, baseball, scouting, etc., but they are prouder still of their contribution to the saintly lives and good citizenship of all their members.

In this good work the local boys' club plays an important and praiseworthy role, but it is not a preponderant one. Most certainly it is not the sole community agency promoting good and preventing delinquent conduct. Yes, there are many character building agencies laboring hard in Charlestown. These include the boys' club.

CHARACTER

But what is this entity character that they are helping to produce? Mr. Arthur Burger, executive director of the Boys' Clubs of Boston is quoted by Mr. White in the Reader's Digest as being of the opinion that—

"Character is something that is caught, not taught. If a boy doesn't catch it from his parents, it rubs off on him from other boys and club leaders."

Most respectfully, and I hope not presumptuously, in speaking for the citizens of Charlestown, I would say that they do not think of character as an acquired veneer—certainly it is not caught like chalk from a billiard stick. Rather do they think of character as life dominated by principles as distinguished from life dominated by impulse from within and our circumstances from without. These principles are conceptions of right and duty, deeply rooted in the mind, branded in consciousness, brooded over—elevated into standards of judgment, taste, feeling and action, and consistently applied to life.

A collection of principles covering all departments of life constitutes an ideal. A man of principle is, therefore, a man with an ideal. The people of Charlestown believe

that there cannot be lofty character without high ideals, for ideals are the blueprints according to which we build our character. To be effective and worthwhile, the ideals must be not merely pictured, admired and longed for, they must be embodied in a set of definite principles dominating life and resulting in character. Accordingly as their ideals and principles are good or bad, people have good or bad character.

The people of Charlestown consider that in the task of character formation, the two rich resources are the family and religion. The home is the primeval school. It is the best, the most hallowed, and the most potential of all the academies; and the parent—especially the mother—is the first, the most influential, and the most cherished of all teachers.

Charlestownians feel that the most wholesome and the most lasting influence is exercised on children by parents of good character, for where precept is supplemented by personal practice, the parental example begets the respect and love of the child and remains a guide, an inspiration, a protection and an ennobling influence amid the dangers and pitfalls of life. Parents must be strong, alert and steady. They must appreciate the need of constant personal supervision and care of their children. They must be ready to administer discipline and correction where necessary. For says the wise man of the scripture:

"Folly is bound up in the heart of a child, and the rod of correction shall drive it away." (Proverbs xxii: 15.)

My fellow townsmen feel that within the home religion should be a guiding force in the life of youth, and a chief asset in that constructive guidance which is the best preventive of delinquency. There is no substitute for the true function of religion in supplying ethical and religious guidance to youth. There can be no guaranteed security against crime, there can be no moral security unless there is a definite, vitalized, moral system resting on the solid rock of religion. Religion furnished the highest ideals of conduct and the best motives for following those ideals.

I believe that traditionally the home and the church have been hard at work in Charlestown—forming consistently good character.

I most humbly, sincerely, and assuredly feel that their efforts, aided to a degree by the local boys' club have been uniformly successful.

A great man once said:

"A man should be proud of the place in which he lives, and live so that the place will be proud of him."

There are many, many youths in Charlestown who feel this way. And as their neighbor, I would like to stand and be counted with them.

FOR CHARLESTOWN

THE EDITOR OF THE PILOT:

Your editorial in the February 11 issue of the Pilot captioned "Causes and Conclusions," was the first ray of hope to a much maligned citizenry who have been arraigned before the readers of the national publication, the Reader's Digest, as citizens of a town which ranks fourth in this State in adult crime.

It is easy for any group to point out to the world the work which they do and it is far easier to claim all the good effects of this work in a community while completely hiding the bad features behind a shroud of silence.

The decent people of Charlestown and to me that means all the people in Charlestown, have no criticism of the local boys club, they have done and are doing a good job, but for the people in charge of this club to claim that it is only because of this club that the juvenile delinquency rate in

Charlestown is among the lowest, is a deliberate falsehood, and their statement cannot be proven by facts or figures.

We have in Charlestown, 3 Catholic and 3 Protestant churches, serving the religious needs of our people, all of these parishes have programs to help their young people. It is true that none of these parishes can afford to have a swimming pool or a gymnasium, neither do they have the great cushion of the Red Feather Community Fund aid, and must by necessity limit these activities on the ability of their parishioners to finance such programs, but these limited activities pay off, and when our people send their children to the boys' club, the club officials will find a fairly decent boy to deal with, one usually well versed in how to conduct himself properly and honorably.

We have in Charlestown 3 parochial and 7 public schools, the nuns and the teachers in these schools have done an exemplary job in assisting us in the molding of the character of our children, these schools are filled with good, decent and honest children, who come from good and respectable homes, which are presided over by God-fearing, God-loving and law-abiding parents, parents, who, although they respect the good work accomplished by the local boys club, yet do not look upon it as a correctional institution, nor do we feel that they have the right to take over our duties as good parents.

It was, it is and it ever shall be our God given right to bring up our children to love and respect God and His church, to love and respect their parents, their brothers and sisters and their homes, and to protect and cherish the rights of their friends and neighbors. This is our Charlestown heritage, passed down from generation to generation and jealously guarded by our people.

To heap coals of derision on such a people, because of a few isolated instances, by such a national publication as the Reader's Digest, and whipped up to a song of hate and intemperance by its roving reporter, is a rank injustice. It should be retracted.

This past week a group of Charlestown citizens met to discuss this article, among this group were priests, ministers, the clerk and the probation officer of the local court, the captain of the police, our local representative, and a group of public spirited citizens. It was found that the Reader's Digest figures on adult crime in our town were completely false, and that a letter shall be sent to the Digest requesting them to send their roving reporter to us, and to write a story about the good people in Charlestown. We feel that one monthly edition of the Digest would prove insufficient to record our good deeds.

The Pilot editorial suggests caution; it is sound advice; any group claiming credit for the lack of juvenile delinquency in one section of the city, because of the activity in which they are interested, should be ready to assume the failure of their activity in some other section of a city where juvenile delinquency and also adult delinquency are much higher than in poor abused Charlestown.

Thanking you for your kind patience and attention, I remain.

JOSEPH W. MCCARTHY.

CHARLESTOWN.

THE SMALL BUSINESS ADMINISTRATION

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Speaker, I want to take this opportunity to call to the attention of my colleagues in the House a letter addressed to our distinguished colleague, the Honorable WRIGHT PATMAN, from a constituent of mine. The letter is well written and, I believe, self-explanatory.

FEBRUARY 22, 1956.

The Honorable WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

MY DEAR MR. PATMAN: A few weeks ago our friend, Congressman BURNSIDE, sent us a copy of the CONGRESSIONAL RECORD of January 13, calling to my attention your address to the House of Representatives with reference to matters pertaining to small business.

Being a small manufacturer, in business for the past 10 years, and being a principal supplier to various Government agencies, including Army, Navy, and Air Force, we have had more than our share of experiences in the manner by which small business is treated by these various organizations. We have had some very pleasant relations with several branches of the Navy, along with Army ordnance. On the other hand, we have had some very disappointing and disgusting experiences with other agencies, along with the Small Business Administration.

I am sure small manufacturers throughout the country appreciate the efforts of you and your associates in behalf of maintaining free enterprise and a democratic form of business. I also believe the majority of small manufacturers agree there is a definite need in this country for big industries and I do not believe that anyone will deny this fact; however, as Mr. Fairless once told me, the backbone of United States Steel's business is based on support they have gotten from the thousands of small firms. We in small business sincerely hope you will continue the fine work you have undertaken and we only hope this pressure will not be let up until your objective is accomplished.

In reference to the Small Business Administration, I have had several occasions to request help from this organization, as well as knowing other responsible firms who likewise sought help. In every instance we were, for some reason or another, turned down. It certainly is disgusting to see an organization which has been set up by Congress for the purpose of contributing certain benefits to small business not fulfill its obligation.

I am more than convinced that Small Business Administration is the most useless of all agencies sponsored by the Government. This organization is manned by broken down bankers who are not capable of earning a livelihood outside of a Government agency, along with political appointees consisting of lawyers and so-called professional experts who are likewise incompetent and unable to earn a respectable living in competition with other men in their profession. It is too bad that more of your associates in the House, as well as Senate, do not take the time to really investigate that hornet's nest.

We certainly wish you every success in your efforts on behalf of small business and if we can be of help at any time, please do not hesitate to contact us.

Sincerely,

LE JOHN MANUFACTURING CO.,
SAM POLITANO, President.

APPLAUSE FOR THE HONORABLE A. FERNOS-ISERN, RESIDENT COMMISSIONER, COMMONWEALTH OF PUERTO RICO

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes, to revise and extend my

remarks, and to include extraneous matter.

THE SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MR. SIEMINSKI. Mr. Speaker, I take these few minutes to applaud the Honorable A. FERNÓS-ISERN, Resident Commissioner, Commonwealth of Puerto Rico.

His exposition of the delicate situation confronting the citizens of Puerto Rico in their use of the English language impressed me.

I trust that my colleagues in the House join with me in applauding our friend and colleague, the doctor. The correspondence which follows discloses, I believe, the reason for my enthusiasm:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 23, 1956.
Hon. ALFRED D. SIEMINSKI,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: Thank you for your warm and friendly postal card in reply to my letter of February 16. It was because I regard you as a friend that I felt I could write you with such frankness. I knew, of course, that there must be a misunderstanding and your message in reply shows that most certainly there was.

You have been to Puerto Rico and you have observed firsthand our attitudes and how close we feel to our continental brothers. You have always exhibited friendliness to us and understanding of our problems, and it is in this spirit I feel that we in the Congress can work together toward worthwhile objectives and in harmony of effort.

Sincerely always,

A. FERNÓS-ISERN,
Resident Commissioner.

P. S.—Yes; I see now the other pages of the RECORD. No disagreement.
Thanks again.

FERNÓS.

HOUSE OF REPRESENTATIVES,
UNITED STATES CONGRESS,
February 16, 1956.

Hon. A. FERNÓS-ISERN,
Resident Commissioner,
Commonwealth of Puerto Rico.

MY DEAR DOCTOR, FRIEND, AND COLLEAGUE: Patriot that you are, man of courage, you who know your job as you know your people and your beautiful country (over much of which I flew), to you, who looks after the interests of your people and your country as you did so magnificently in your brave and splendid letter of February 16, 1956, what more could one say but "Thanks." "Thanks for drawing our hearts and our minds closer, closer to those goals each of us must travel in the future we vision for ourselves." May its brilliance and fullness bring us joy and glad tidings.

Your friend, always,

ALFRED D. SIEMINSKI,
Member of Congress, 13th, New Jersey.

P. S.—Did you note my remarks on page 460-461 of the hearings?

A. D. S.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 16, 1956.
Hon. ALFRED D. SIEMINSKI,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN SIEMINSKI: My attention has been directed to your statement concerning Puerto Rico, which appears on page 362, on the hearings before the Subcommittee of the Committee on Appropriations,

on Monday, January 23, 1956, in considering appropriations for the Department of Interior and related agencies.

I regret that I must disagree with the concepts of your statement. I am sure you would welcome further information to substantiate the reasons for my disagreement.

The Commonwealth of Puerto Rico, a self-governing sovereign community within the United States federative political system, in accordance with the terms of a compact, and Samoa, a possession of the United States, have such different political status; different social conditions, different historical and cultural backgrounds; their peoples respectively are so widely different, that there is no basis for establishing a parallel.

As you may have noted, during the entire hearings on the Territories and possessions of the United States before the subcommittee, not a single item was presented for which appropriations by the Federal Government were sought specifically for Puerto Rico. While Federal money is appropriated for the operation of the local governments of the Territories and possessions, the people of the Commonwealth of Puerto Rico pay the full cost of their Commonwealth government with their own taxes.

Federal monies are spent in Puerto Rico, not as specific appropriations for Puerto Rico, but rather because Puerto Rico is a participant in the United States Federal system, and the Federal Government has certain functions in Puerto Rico as it does in continental United States. Such Federal expenses may be classified in three main groups, as follows:

1. Expenses for national defense. There are strategic United States military bases in Puerto Rico.

2. Expenses for Federal civilian agencies operating in Puerto Rico. (As to these expenses, I know there is a strong feeling amongst leaders in Puerto Rico, that whenever a reexamination of the present economic and political relationships between the United States and Puerto Rico may be undertaken, Puerto Rico should insist upon assuming as many of these obligations as in their nature can properly be assumed and administered by the Commonwealth Government; of course, without in any way altering the fundamental relationships of Puerto Rico with the United States, but with the purpose of relieving the Federal Government of any expense in Puerto Rico, which Puerto Rico may itself be able to carry.)

3. Federal contributions to programs carried out under grant-in-aid laws, which of course, are as much of national as of local interest. In each case, Puerto Rico must pay its share at least by the same proportion as in the States. (In the case of public welfare assistance and the school lunch-program, the formula applied to Puerto Rico is not as liberal as that applied to the member States of the Union or to the Territories of Hawaii and Alaska.)

There is no question that Puerto Rico derives great benefits from its status as a Commonwealth within the United States political system, and from the relationships so created. However, I would be less than honest if I did not call attention to the fact that the benefits of our noble association are reciprocal.

We are citizens of our Commonwealth and citizens of the United States, as residents of New Jersey are citizens of the State and of the United States. As United States citizens, we are under the same obligation to defend the Nation as are the citizens of a State. And we have always answered the call without equivocation. The record of the Puerto Ricans in the recent conflict in Korea is second to none. Puerto Rico is a bulwark of the United States in the Caribbean; for the Panama Canal, a vital spot in our defense.

Puerto Rico is one of the best overseas markets of the United States, in fact, the sixth-best in the New World. Our annual purchases from the United States have reached over half-a-billion dollars, while sales of Puerto Rico's products to the mainland are well below that figure. More than 90 percent of the imports of Puerto Rico originate in the United States. United States goods enjoy the full protection of the United States tariff laws.

Puerto Rico is a shining example to the entire world of how peoples of Spanish culture, traditions, and origin can maintain in this new world of ours their individualities, in freedom and security, intimately associated with the free peoples of the United States mainland.

With our self-imposed taxes, we maintain our own school system, in the same way that the State of New Jersey maintains its school system. This is a tremendous task for us. Our proportionate school-age population is much larger than that of any other United States community of comparable numbers. The average income in Puerto Rico is lower than the lowest per capita income in any State. It is only about 50 percent of that of Mississippi.

No Federal money is appropriated to maintain our school system. However, not only have we endeavored and succeeded to a very impressive extent in creating a school system that will give educational opportunity to all our children, but we have the double task of teaching them the normal curriculum of any school in a modern country, plus a language other than their vernacular, from the very first grade on.

Puerto Rico is a Spanish-speaking community for the same reason New Jersey, your own State, is an English-speaking community. The reasons are ethnological and anthropological. You can well imagine what this effort would mean if New Jersey tried to include in its present curriculum the teaching of Spanish in addition to vernacular English and endeavored to make every one of its citizens bilingual in both languages of the new world. We do this of our own volition and in great earnest because we have chosen to live within the United States political system, as a commonwealth. Much as we cherish our cultural traditions as a people, we understand the great value of our people becoming bilingual. Thus, they will be able to communicate freely with their fellow citizens of the mainland, a consummation devoutly to be desired. That is why English is taught in Puerto Rican schools from the very first grade. In 50 years we have reduced illiteracy from 80 percent to 20 percent; while at the same time trying to be literate in two languages. We have been reasonably successful to say the least.

To reconcile the foregoing with your statement that you found evidence of little interest in the English language in Puerto Rico, is difficult for me. The information given you in the sense that there were 115 cracker-jack instructors in Puerto Rico and since 1952 the figure has fallen to around 15, is a colossal misinformation. With 115 instructors—whether they be crackerjack or not—it would be absurd to try to teach English to our present school enrollment of over half a million. We teach English in Puerto Rico with the teachers we have, with the teachers we can afford to pay, and we think that Puerto Rico should be commended for its efforts. About 30 percent of our budget is dedicated to education. (I am attaching a very interesting clipping from the Christian Science Monitor of October 19, 1955, on this matter.)

Puerto Rico's Constitution is one of the most modern in the modern world. Upon its adoption by the people of Puerto Rico, and the approval of Congress it became effective on July 25, 1952. It guarantees universal suffrage and the secret ballot. We have peaceful elections every 4 years.

Your query as to whether there is an attempt to keep the people from knowing English in order that the intelligentsia may better control them, puzzles me. Suppose the people in Puerto Rico did not know any English whatsoever. Why could a purely Spanish-speaking people be better controlled by their Spanish-speaking leaders than an English-speaking people would be by their English-speaking leaders?

The teaching of English has nothing to do with the communication between the leaders of the people and the people themselves. This, of necessity, must be conducted in the language the people best understand. If communication between the leaders of this Nation and its people were to be carried in a language different from its own, certainly the people could not understand what it was all about.

There are no cries of gringo in Puerto Rico; the word is foreign to us. We do not use it. It is not really a Spanish word. It is a Mexicanism. I never heard it until I came to the United States. We never call our fellow citizens of the mainland gringos. We consider it charged with uncomplimentary overtones. You must have heard of it somewhere else than in Puerto Rico.

The shootings in Congress were the result of the machinations of a handful of extremists led by an unbalanced, fanatic leader who is in prison in Puerto Rico, convicted under Puerto Rican law and by Puerto Rican courts. Their infernal doings were unanimously condemned by the people of Puerto Rico. To try to establish any relationship between their vituperable action and the present leadership of Puerto Rico is an offense which I, in the name of the people of Puerto Rico, must determinedly reject.

It is to be deplored that during your short stay in Puerto Rico you may have been exposed to so much misinformation as it seems you were given. However, I realize that in any community there may always be those who because of political enmities do not seem to stop at anything in their efforts to create misunderstanding which they think may accrue to their benefit. We have them in Puerto Rico, of course. But it is deplorable that they may go so far, as they seem to have done in the present case, as to try to create misunderstanding and distrust between the citizens of the Commonwealth of Puerto Rico and their fellow citizens of the mainland.

Sincerely,

A. FERNÓS-ISERN,
Member of Congress, Resident Commissioner of the Commonwealth of Puerto Rico.

On page 361 of the hearings before the Subcommittee of the Committee on Appropriations of the House of Representatives relative appropriations for 1957 for the Interior Department and related agencies, on January 23, 1956, as previously disclosed in the letter of the Honorable Dr. A. FERNÓS-ISERN, my interest in the use of the English language by citizens and nationals whose governments have adopted our currency, developed as follows:

Mr. SIEMINSKI. Mr. Lausi, you are asking for \$24,028,000, is that correct?

Mr. LAUSI. Yes.

Mr. SIEMINSKI. Can you tell me, or put in the record, what the revenues to the Treasury of the United States are, or have been, in the last 2 or 3 years from the territories?

Mr. LAUSI. Yes, sir; we will submit that.

Mr. SIEMINSKI. I think it is rather helpful to couple income with outgo. If we can get that it might enable Congress to appropriate for very worthwhile propositions with fullest confidence.

Mr. LAUSI. We will supply the information to the committee.

PRESTIGE OF SAMOA

Mr. SIEMINSKI. Now, coming back to you, Governor, you make mention of prestige in your statement. In what way would that be manifest?

Governor LOWE. We are the only American Territory south of the Equator. We are the only one in the South Pacific.

We feel, and the Department of the Interior feels, that we should maintain an administration in American Samoa that the United States Government can be proud of, and that will hold up its head as to its ability to operate such a territory as well as the people who are operating those territories around us.

Mr. SIEMINSKI. Is that prestige based on sizzle, razzamajazz, and display, or is it based on benefits accruing to the people in terms of health, education, welfare, and other standards of living?

Governor LOWE. It is principally based on the last part of your statement, health, education, and welfare and the standards of living and economic conditions.

Mr. SIEMINSKI. At the moment, the Dutch, the French, the New Zealanders, the English and the Australians do better than we on that, do they?

Governor LOWE. No, sir; I do not say that. I say that there is prestige at stake in this, and it gets into the budget question on the basis of adequate financial support to do a good job.

Mr. SIEMINSKI. You would not say that the Dutch, the French, the British, the New Zealanders and the Australians are doing better than we are?

Governor LOWE. No, sir; I do not say that. I think that our administration of that Territory out there, once we got away from that rapid exchange of governors, which got to be kind of a laughingstock in that area, once we got over that, and we got where one man stayed in the place long enough to do an adequate job, that our administration has been very good.

Mr. SIEMINSKI. What is the language of Samoa?

Governor LOWE. Samoan.

Mr. SIEMINSKI. Is any effort made to learn English or to teach it in the schools?

Governor LOWE. Yes, sir. We teach English as a subject in all of the schools, from the third grade on up.

However, the elementary teachers are all Samoans who do not speak English very well themselves. In the five junior high schools they are all Samoan teachers, but they attempt to teach in English in the junior high schools. We teach all in English in the high schools.

Mr. SIEMINSKI. What is the currency in Samoa?

Governor LOWE. American currency.

Mr. SIEMINSKI. We face a very sensitive point there. We are dealing with something that has an American value, and, of course, we feel that we have to maintain the local customs and traditions in Samoa. I imagine as education increases more and more they might want to know a little more about the country whose currency is used?

Governor LOWE. The impact of western civilization is something that continues to increase. We have owned this Territory for 55 years, and that has been increasing.

Mr. SIEMINSKI. I visited Puerto Rico last fall, and I was told that, while once we had some 115 crackerjack instructors there in the English language, since 1952 the figure has fallen to around 15. One seems to find little interest in the English language in Puerto Rico though they are United States citizens. Many come up our way. Time and money is spent on them to help fit them into the cultural and industrial pattern of the community. They use our money, they need it, and they want it, and yet, with the higher-ups, the extension of the courtesy of learning our

language seems not to be there. I wonder where we are missing the boat in that connection. Is it because we lack something, or is it because we are too far away? Or is it that with the intelligentsia alone knowing English, they better control the people and keep them suspect to convenient cries of gringo that find expression with shootings in the Congress.

Governor LOWE. I cannot speak of those people, but it is recognized by the Samoan people that they must have a bilingual society.

Mr. SIEMINSKI. Off the record.

(Discussion off the record.)

Mr. SIEMINSKI. Do the Dutch, the French, the British, the New Zealanders and the Australians make an effort in the schools of the islands that they administer, or help to administer, to ask that their language be taught?

Governor LOWE. I know about the New Zealanders, the Australians, and the British. They do a great deal of teaching of their language. I do not know how far the Dutch go in that respect, nor do I know how far the French go, but I understand in Tahiti and New Caledonia they do teach French in the schools, because it is one of the international languages. None of the little island languages are very satisfactory languages with which to deal with outside nations. I am sure they all make rather strenuous efforts, at least, to bring some of them up to the place where they can understand English. Our people understand it pretty well.

Mr. SIEMINSKI. It might be interesting to note the move that is taking place in the Caribbean.

In 3 or 4 years I understand that the British are going to attempt to take all of their possessions down there, with the exception of Bermuda, and incorporate them in a commonwealth setup and send an ambassador to Washington to represent them. That means that they will have unlimited right of entrance to the United States, that they will be coming up here and find ready work on our farms, in our factories and in our homes. They know the King's English, and speak with accents like Oxford graduates. They will be taking our money out, sending it to British possessions in the Caribbean. It will not be going in like volume to Puerto Rico, Cuba, and other of our friends. If a depression hits Cuba or Puerto Rico their people have, as they do now, automatic right to migrate here. The question is, who will get the first call for positions on the farms of America, in the homes, and in the factories? Naturally, it would appear those who speak our language and who know our traditions. So, while we, on the one hand, gladly assist those people with funds, those whom we do not assist will be free to come in and take our dollars out, take them back to British possessions; that appears to give something to think about on two fronts at the same time.

Governor LOWE. The people of Samoa, as American nationals, actually do migrate to the United States. Any attempt to keep them from it would meet with considerable opposition. They are very proud of the fact that they are American nationals, and they are very loyal.

Mr. SIEMINSKI. I am sure that they are, and I wish them the very best.

In the same hearings, on January 30, 1956, on pages 460 and 461, referred to in the postscript of my card to the doctor, cited above, further interest in the use and benefit of the English language to those who live with our money, developed as follows—from our Indian schoolchildren to citizens of Puerto Rico migrating to the United States:

Mr. SIEMINSKI. One observation: One of the rangers in one of the national parks last summer, on this question of Indian edu-

cation, made an observation and I wonder if there is anything to it and, if there is, what can be done about it. He said that in the lower grades the Indians probably are better in the graphic arts on the things he could see and touch than the white boy; but, in high school where an understanding of the American language and imagination and a sense of creativeness is called into play, the white boy passes the Indian. Whether that is true or not, or it is because of his background in having to survive under conditions of nature, I do not know; but if we should have to integrate them someday along the line of delaying one's advancement as against the other, what would happen? I wonder if you would care to comment on that.

ACHIEVEMENT OF INDIAN CHILDREN

Mrs. THOMPSON. Of course there are many opinions about the achievement of Indian children as compared to other children. I do not believe there is any factual data that would indicate there is any difference in achievement of Indian children and other children, given the same opportunities. It is true that many Indian children come from non-English-speaking homes; therefore they start school with a language handicap and that language handicap must be overcome. In those lower grades, when expressing their thoughts, if they cannot express them in the same language, they are likely to express them in pictures.

Mr. SIEMINSKI. Yes; and there is where they seem to shine over the white boys.

Mrs. THOMPSON. That is true. And that language handicap, unless overcome, and he makes an effort to overcome it, will be reflected in his achievement in the upper grades. But, starting with the same language start and progressing through, as between Indian children and white children, I do not think we can find the one is above the other. I do not think there would be any difference between them in achievement in that case.

USE OF ENGLISH LANGUAGE

Mr. SIEMINSKI. I am happy to have that. I am very interested in the English language being taken up voluntarily by people who are not born speaking it, such as in Puerto Rico, the Virgin Islands, Samoa, and elsewhere; yet, in asking those people to accept our language, we do not want to give them the impression, I am sure, of a colonial decree, so to speak; but, rather, to paint the picture, as we are trying to do here this morning, showing them, as you have said in your statement, the benefits to accrue to them by getting into the stream of opportunities that the English language opens up to them—the benefits of having become Americans. If we can get the picture across to the people of Puerto Rico that they are citizens, and when they come up into my district they can better set themselves up and get located and adjusted to the community, we are not trying, as I see it, to get the people of Puerto Rico to talk our language as a matter of necessity, but as a matter of benefit; so that if there is a depression in Puerto Rico and they need help and want to avoid bloodshed in Puerto Rico, it is a help to the people of Puerto Rico as well as to ourselves to have them speak the language.

I am glad you gave me the answer you did, because you most astutely avoid the issue that you must meet later on.

Reference the Caribbean Federation which the British are setting up among some 3 million of their subjects, mentioned above, it is interesting to note the treatment it received in an editorial in the New York Times on February 26, 1956, cited now. The editorial, of course, does not dovetail the competition for jobs in the United States this new setup

will give our citizen Puerto Ricans. Ability to use our language might be a deciding factor in a race for less menial jobs. This might be an element overlooked in another article in the same issue—February 26—of the New York Times wherein it is stated, in part:

Puerto Ricans deserve to be treated as part of the American labor pool and accorded its protections.

The editorial and the news article on page 74 of the February 26, 1956, issue of the New York Times follow:

[From the New York Times of February 26, 1956]

CARIBBEAN FEDERATION

A new nation is taking form right on our doorstep, one of the strangest nations, geographically speaking, in the world. It is the West Indies Federation, which is to be created out of the British islands of Jamaica, Trinidad, Barbados, and the Windward and Leeward Islands. The Bahamas are excluded and the mainland colonies of British Guiana and British Honduras and the British Virgin Islands are still holding back. They may well change their minds some day if the high hopes held for the new federation materialize.

The West Indies colonies already enjoy full adult suffrage and freely elected local governments. London's Colonial Office left it to the colonies to decide whether they wanted federation or not. The long, often arduous, arguments have now ended with an affirmative answer. It will be a federation on the Australian model, with each island government retaining residual powers over local affairs, but with the administration, law-making, and the general economy of the group being run from a central government in a capital yet to be chosen.

It will be a remarkable nation, stretching over 1,000 miles of water, which is the distance that divides the two main units of Jamaica and Trinidad. Of course, the East Indies cover a greater space and a far larger population, but there is no true comparison between the ancient civilization and long history of the East Indies and the new, mainly Negro, civilization of the West Indies.

The advantages of a central government are essentially fiscal and economic. The islands compete against each other with the same products—sugar, rum, bananas, citrus fruits, tobacco, and spices. Together the 3 million people of these lush and beautiful lands will make a formidable trading unit. Politically they will undoubtedly become a part of the worldwide British Commonwealth, which will give them a status and dignity far beyond what they now have as individual colonies. And they will be sovereign and independent. Thus, the British can chalk up one more triumph for their enlightened colonial policy.

[From the New York Times of February 25, 1956]

STATE TO GIVE AID TO PUERTO RICANS—HARRIMAN SAYS AGENCIES ARE TO COOPERATE IN PROBLEM OF ASSIMILATION HERE

The Governor sent a message to the eighth annual convention of the Spanish-American Youth Bureau. He said that State agencies "hope to assist in the quick acceptance and fair treatment in our communities of Americans of Puerto Rican and Hispanic origin."

Mr. Harriman regretted that the legislature had failed to close loopholes in the rent control law. He contended that they had resulted in exploitation, particularly of newly arrived citizens.

One important way in which such citizens could help themselves in bettering their economic conditions, the Governor declared, was through political participation.

The meeting was attended by more than 150 representatives of private and public agencies working with Spanish-speaking residents. They met in the McBurney branch of the Young Men's Christian Association, 215 West 23d Street.

Charles Abrams, chairman of the State commission against discrimination, called for a nationwide program to help settle Puerto Rican immigrants throughout the country.

"Discrimination against Puerto Ricans, particularly by homeowners and local officials, is making it difficult to effect a distribution to other industrial centers," he said.

"Puerto Ricans deserve to be treated as part of the American labor pool and accorded its protections. They should enjoy equal participation in industrial employment and at least equality with, if not preference over, alien labor in agriculture."

"Puerto Rican, immigration to the continental United States may be expected to continue at the rate of 35,000 to 50,000 annually," Mr. Abrams said. He added that the solution of the problem lies not in a curtailment of the migration, nor entirely in the improvement of the economic situation in Puerto Rico, but in a nationwide program of settlement.

The very fine article of Tuesday, October 18, 1955, which appeared in the Christian Science Monitor, referred to in the letter by the doctor, now follows:

[From the Christian Science Monitor of October 18, 1955]

PUERTO RICO: LEARNING WITH ENTHUSIASM (By Leonard S. Kenworthy)

SAN JUAN, PUERTO RICO.—Puerto Ricans are justifiably proud of the progress they have made in the last few years in many phases of their educational program. Probably no place in the world has made so many gains in so short a time as has this Commonwealth of the United States.

Progress has been so rapid in so many different fields that Puerto Rico has become a mecca for trainees in the point 4 program of the United States Government and in the technical assistance program of the United Nations. In the past few years more than 1,000 such trainees have visited the island to see what is being done in economic, social, governmental, and educational planning, in the establishment of factories, the building of roads, the improvement of agriculture and the improvement of public health.

In education they have followed with keen interest the meteoric rise of vocational education, the slow but steady work in community education, innovations in the teaching of English as a second language, the extensive program of school lunches and child-breakfast centers, the attacks on illiteracy, the preparation of new teaching materials, and other aspects of Puerto Rican education.

Puerto Ricans usually employ the year 1940 as the base for their statistics. That date is considered by them the beginning of their modern era. In that year there were 303,000 children in school. Today there are 533,000. In 1940 only 50 percent of the children from 6 to 18 years of age ever got to school. Today 72 percent of the Puerto Rican boys and girls of that age group are in school.

1960 GOAL ALREADY ACHIEVED

Under their 6-year plan a goal was set for 1960 of 91 percent of the pupils of elementary school age in school. That goal has already been achieved.

Even more important is the increased holding power of the schools. In 1948 about 50 percent of the children had dropped out by the end of the third grade. Today most pupils stay in school through the sixth grade.

In the past 14 years there has been a phenomenal increase in the number of high-school pupils. In that year there were only 10,000 students in high schools. Today there are more than 40,000.

This also has meant an enormous job of finding and training new teachers. In 1940 there were 6,000 of them on the island. Today there are double that number. And today's teachers are far better educated, too, than they were a few years ago.

Buildings had to be enlarged and new ones built. Since 1940, 3,300 new classrooms have been added. More important, many of them have been built by parents and other citizens. Partial responsibility has rested with the local municipalities through the years. Now an experiment has been started for 1955-56 of having the Department of Public Works construct the foundations and put up the girders and roof, with the parents finishing the structures, including the walls, floors, and windows. Forty classrooms are to be built this year in this way.

Most buildings are being built today of concrete rather than of wood, making them more durable and hurricaneproof. Lunchrooms are an essential part of all schools, too.

Literacy has increased from 69 percent to 78 percent in the intervening years since 1940. But the problem of increasing it still further is getting larger owing to lack of resources, the rapid increase of population, and the fact that those who wanted to learn most have already been taken care of. Under the direction of a world-renowned expert, Dr. Rodriguez Boa, a strenuous effort is being made now to reduce illiteracy 10 percent more by 1960. And by illiteracy Dr. Boa means the equivalent of a third-grade education rather than merely being able to read and write one's name.

Spectacular progress has been made in vocational education, an essential part of the industrialization of the island. In 1947-48 there were around 8,000 persons getting some kind of vocational training; today that figure has soared to 25,000. There are now 11 high schools with vocational programs. In them the pupils receive 3 hours of general education and 3 hours of vocational training.

The school lunch program has been greatly expanded, too, since 1948. In that year there were 181,000 children provided for. Today there are 240,000 boys and girls who receive a complete meal at school. The result has been improved health for the children, better eating habits for them and their families, and an outlet for more of the island's products, together with food from the mainland of the United States.

In addition to these children, 21,000 non-school children from 2 to 10 years also receive breakfast outside the schools.

Instruction in the elementary grades always has been in Spanish and after the Columbia University survey of 1948, Spanish became the language of instruction in the high schools. An intensive effort is being made, however, to develop English as the second language of all school pupils. Oral English is started in the first grade and written English is commenced in the third and fourth grades. Some articles in the elementary school paper "Escuela" are printed in English. Many children listen to the radio programs in English or hear it over the TV. Newspapers and magazines in English are now much more widely available, and persons from the mainland who speak English are much more in evidence. Supplementing these motivations is the carefully constructed program of the schools, with a special series of books developed by Dr. Charles Fries, expert on the teaching of English from the University of Michigan.

An extensive program of publications has been developed for the schools; 350,000 copies of *Escuela* are published weekly in 3 editions for elementary, junior high, and senior high schools and is distributed free. A monthly

journal for teachers, *Educación*, is prepared and printed. Starting this fall, a newspaper with a general cultural orientation, including many pictures, is being printed in an edition of 250,000. This will go to adults on the island.

Progress can also be noted in the spread of school cooperatives, in the increase in exchanges with teachers and school officials in New York City and Chicago, in the expansion of the University of Puerto Rico and other colleges, in the establishment of music schools for the gifted, and in the continuation of the activity-month scheme whereby teachers go to school, work in the local community, or do some equivalent work 1 month in the year.

Despite the tremendous progress in the past few years, many problems still persist. Some of them are the inevitable problems of a system which is bursting at the seams. Others are more fundamental problems of goals and methods of attaining them.

AMERICANIZATION WEIGHED

One of the most basic problems is the extent to which young Puerto Ricans should be Americanized. This is a question of long-term goals which will have to be decided by the general populace of the island, but a question on which the educators should have much to say, as it vitally affects every phase of education.

With close economic and political ties with the United States, with rapid industrialization and urbanization, and a growing feeling of kinship to the States, the question of how much of their Spanish background can be retained in the next generation continues to cause controversy. Certainly older and even middle-aged people are proud of their Spanish cultural heritage, but whether this pride can be developed in the oncoming generation is still open to question. Already most of the African and Indian heritage has disappeared; whether the same will eventually happen to the Spanish heritage remains to be seen.

Some educators are concerned on this point, but the role of the schools in helping to determine goals does not seem too clear at the present time. Many people hope that Puerto Rico can develop a rich crossroads culture, molded from the best of their European, North American, and Latin American traditions.

Another problem seems to be the education and supervision of teachers. A problem everywhere, this is especially noticeable in Puerto Rico, with scores of new teachers to be trained each year and about 500 new teachers needed as replacements for those who drop out annually.

All this could not have happened without aid from four sources. One is the strong support for education from the people of Puerto Rico. A second has been the generous support financially from the legislature, with about 30 percent of governmental funds devoted to public education. A third has been the leadership of such men as Dr. Mariano Villarronga, Secretary of Public Instruction, and his assistant, Dr. Cracisco Collazo, both Puerto Ricans rather than continentals. Lastly, but certainly not least, has been the devoted efforts of the teachers of the island who have much of the enthusiasm of people all over the world who have begun to plan for themselves rather than carry out the projects of colonial powers.

Perhaps that is the most important characteristic of Puerto Rican educators today: their pride in making Puerto Rico a better place for all people to live through education.

HOUSING AMENDMENTS OF 1956

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WIDNALL. Mr. Speaker, I take great pleasure in presenting to the House today, a bill which is intended to be the housing amendments of 1956. The legislative proposals contained therein are those of the Eisenhower administration for the betterment of living conditions for the American people. I am pleased to take the initiative in this regard because this legislation is forward-looking in nature and conforms to the oft-stated desire of the President to be "liberal in the matters which concern the welfare of our people."

The proposals which are advanced by the Housing and Home Finance Agency under the capable leadership of Albert M. Cole, a former Member of this body, and endorsed by the President, seek to meet the needs of all citizens who are desirous of obtaining better homes while retaining to the greatest degree possible, private enterprise initiative in the housing field. I will cite here only a few of the major provisions of this bill—those which I believe will have the greatest impact upon our national economy.

At the request of the President, Administrator Cole has proclaimed 1956 as Home Improvement Year. Large segments of our business economy have set forth upon a program known as Operation Home Improvement to augment this proclamation. It is fitting, therefore, that the administration should propose that title I, the Federal Housing Administration home repair and improvement program, should be amended to enable those who are individual homeowners to more readily obtain the financing necessary to undertake improvement and rehabilitation of their dwellings. My bill provides for a permanent program rather than one which requires extension by Congress from time to time, an increase in the maximum amount of loans from \$2,500 to \$3,500 on single-family structures, and from \$10,000 to \$15,000 for the improvement of structures housing two or more families. Also, authorization for the Federal Housing Commissioner to increase the maximum term of such loans from 3 to 5 years.

One of the greatest difficulties encountered has been in the provision of suitable homes for those displaced by governmental action. This is particularly true in the carrying out of the urban renewal program of the Housing and Home Finance Agency. Congress has heretofore provided for low-cost private housing, the so-called section 221 program, for this purpose. It has not met with success to date and the administration now recommends to the Congress that there be a liberalization in allowable construction cost and in mortgage ratio as well as mortgage term.

My bill provides for an increase in the maximum amount from \$7,600 to \$8,000 per dwelling unit and from \$8,600 to \$10,000 per dwelling unit in high-cost areas. Also, in contrast to the 95 percent mortgage insurance now available, the insured mortgage could equal the appraised value of the property, except that the pur-

chaser would have to pay \$200 in cash or its equivalent. That payment could include settlement cost and initial payments for other prepaid expenses. The bill also provides for increasing the term of the mortgage from 30 to 40 years.

Recognizing the increasing housing needs of our elderly citizens, the administration has proposed in this bill, several provisions which should help the senior members of our society to attain for their own use, homes and dwelling facilities tailored to their needs. Under the public housing provisions of this proposal, single persons 65 years of age or over, who are otherwise eligible, shall henceforth be permitted to occupy low-rent public housing and in fact, will be given preference therefor. Recognizing that the needs of the elderly extend beyond the limited field of low-rent public housing, it is proposed that the regular Federal Housing Administration section 203, sales housing program, be amended to permit a third party to provide the downpayment for the purchase of a home where the mortgagor would be a person 60 years of age or over. Also provided is permission for such third party to be a cosigner of the mortgage note for an elderly person lacking adequate credit.

Two amendments are suggested for the section 207 rental housing program of the Federal Housing Administration as well. One would liberalize mortgage insurance where such housing would be occupied to a proportion of 25 percent or greater by elderly persons and where such housing would be expressly designed for that use. An increase in the mortgage to a value ratio would be effected to 90 percent where the mortgage does not exceed \$7,200 per family unit.

The second recommendation would change the application of mortgage amount to 90 percent of replacement cost instead of 90 percent of value, up to \$8,100 per dwelling unit where nonprofit organizations sponsor multifamily projects exclusively for the use of the elderly.

Being convinced that private enterprise cannot yet care for the total housing need in the several communities of our Nation, and recognizing the responsibility of the Federal Government to provide decent, safe, and sanitary homes for those displaced by governmental action, it is recommended that authorization for 70,000 units of low-rent public housing be given by Congress in the next 2 fiscal years. Administrative preference is now granted to families displaced by such governmental action. The authorization is intended for use in communities participating in an integrated attack on slums and blight. We cannot close our eyes to the plight of those who, by necessity rather than choice, dwell in the least desirable homes of the Nation. With the stimulus to slum clearance being given by the urban-renewal program, it is essential that we not create further deterioration by forcing families to move from one undesirable dwelling in a project area to another immediately outside that area. For those who have not incomes sufficient to support proper private housing facilities, it is intended that the Government contribute its share to see that these people do have

adequate homes. It is primarily for this purpose that the President has proposed and this bill provides for a sufficient number of low-rent public-housing units to meet this need.

All in all, Mr. Speaker, the bill which I introduce today envisions that this administration shall continue its sympathetic approach to the needs of our Nation insofar as the provision of good homes is concerned. It is a liberal bill in many respects because we believe that this is the proper approach to our needs. It is nonetheless a bill also which provides proper stimulus to private enterprise so that it may contribute a major share to meeting this great need. It is well for us to remember that in the last calendar year there were private nonfarm housing starts greater in number than 1,300,000, second only to the record year in our history, 1950, the time when we were first able to meet the pent-up demands for housing which were occasioned by the cutbacks in construction and credit during and immediately after World War II.

I make so bold as to state today, that 1956 will see this Nation continuing at an unprecedented level of prosperity with our people obtaining more and better homes in which to raise their families. The bill before us, which I hope will be granted early hearings by our Committee on Banking and Currency, is designed to do the job which I am sure all of us desire to do and that is to continue the prosperity in peace which has been the keynote of the Eisenhower administration.

Mr. Speaker, I am including as a portion of my remarks, a brief summary of the housing amendments of 1956 so that all of our colleagues may have ready access to the information concerning this proposal:

BRIEF SUMMARY, HOUSING AMENDMENTS OF 1956

The housing amendments of 1956 would provide new assistance to housing for the elderly both through the FHA mortgage insurance programs and the low-rent public housing program. Sufficient mortgage insurance authorization would be provided for another year of FHA operations and the FHA military housing program would be extended on a permanent basis. An additional 70,000 units of low-rent public housing, to be contracted for over a 2-year period, would be authorized for communities which will participate in an integrated attack on slums and blight. Urban renewal would be given new assistance through the liberalization of FHA insurance terms for the repair and rehabilitation of housing and the provision of low-cost housing for families displaced by urban renewal. In addition, the authorization for Federal grants to State and regional planning agencies to assist urban planning would be doubled. The Federal National Mortgage Association's secondary mortgage market operations would be broadened. The authorization for college housing loans would be increased and changes made in the program to encourage more participation by private lenders. New provisions would be enacted to expedite the disposal of the remaining defense and World War II housing and other properties still held by the Housing and Home Finance Agency. A number of other perfecting changes would be made in the laws governing the programs of that Agency.

Following is a brief summary of the provisions of the housing amendments of 1956 in the order in which they appear in the bill:

FHA TITLE I HOME REPAIR AND IMPROVEMENT PROGRAM

That FHA title I home repair and improvement program would be amended to—

(1) eliminate the expiration date of the program (September 30, 1956) and make the program permanent;

(2) increase the maximum amounts of the loans which can be insured under the program from \$2,500 to \$3,500 for home improvement and nonresidential loans, and from \$10,000 to \$15,000 for loans for the improvement of structures housing two or more families; and

(3) authorize the Federal Housing Commissioner to increase the maximum term of home improvement and nonresidential loans from 3 years (the present limit) up to 5 years, if he determines that such increase is in the public interest.

HAZARD INSURANCE ON FHA ACQUIRED PROPERTIES

The Federal Housing Commissioner would be authorized to establish a fire and hazard loss fund to provide self-insurance coverage with respect to real property acquired by FHA under any of its programs.

HOUSING FOR THE ELDERLY—FHA MORTGAGE INSURANCE

The regular FHA section 203 sales housing program would be amended to permit a third party to provide the downpayment required for the purchase of a home where the mortgagor would be a person 60 years of age or older. Combined with existing authority, the third party could make the downpayment and also become a cosigner of the mortgage note for an elderly person lacking adequate credit.

The FHA section 207 rental housing program would be amended to provide liberal mortgage insurance for multifamily housing where at least 25 percent of the units in the project are expressly designed for the use of the elderly and a priority of occupancy for these units is given to the elderly throughout the life of the mortgage insurance contract. The maximum amount of the mortgage in these cases would be 90 percent of value where the mortgage does not exceed \$7,200 per family unit without regard to the present requirements as to the average number of bedrooms.

A second amendment of the FHA section 207 rental housing program would provide more liberal mortgage insurance for multifamily housing designed and held entirely for elderly persons and sponsored by nonprofit organizations approved by the FHA as to financial responsibility. The maximum amount of the mortgage in these cases would be \$8,100 per dwelling unit and the mortgage could be 90 percent of replacement cost instead of 90 percent of value.

GENERAL FHA MORTGAGE INSURANCE AUTHORIZATION

The FHA mortgage insurance authorization would be increased to make available \$3 billion of this authorization for the next fiscal year. The balance of the present authorization would be included in this amount.

LIBERALIZATION OF SECTION 221 LOW-COST HOUSING FOR DISPLACED FAMILIES

The FHA section 221 program for the housing of displaced families (for both single family homes and for multifamily housing of nonprofit corporations) would be liberalized—

(1) by increasing the maximum amount of mortgages which can be insured from \$7,600 to \$8,000 per dwelling unit and from \$8,600 to \$10,000 per dwelling unit in high-cost areas;

(2) to permit the mortgage to equal the value of the property except that the mortgagor, in the case of a single family home, would be required to make an initial payment of \$200 in cash or its equivalent, which amount could include settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other pre-paid expenses (present maximum is 95 percent of value and downpayment of 5 percent of estimated cost on single family homes); and

(3) by increasing the maximum maturity of the mortgage from 30 years to 40 years.

APPROVAL OF COST CERTIFICATIONS MADE FINAL

The cost certification of a mortgagor with respect to a multifamily housing project would be made final and incontestable after the Federal Housing Commissioner has approved the certification, except where there is fraud or misrepresentation on the part of the mortgagor. It would also be made clear that allocations of general overhead items can be included as part of the actual cost of the project. These amendments would remove doubts and fears on the part of prospective sponsors of multifamily housing that their cost certifications may be reexamined and questioned from time to time over an indefinite period of years and as to what can be included in the cost of a project for cost-certification purposes.

EXTENSION OF THE CAPEHART MILITARY HOUSING PROGRAM

The FHA mortgage insurance authority for the Capehart military housing program would be extended on a permanent basis.

FNMA SECONDARY MORTGAGE MARKET

The present \$15,000 limit on the amount of an FHA or VA mortgage which can be purchased by the Federal National Mortgage Association would be removed with respect to mortgages purchased by FNMA in its secondary market operations. The \$15,000 limit would continue to be applicable to mortgages offered for FNMA purchase under the special assistance functions of FNMA, except where the mortgages cover property located in Alaska, Guam, or Hawaii. The principal amount of any mortgage purchased by FNMA in its secondary market operations, including Alaska, Guam, or Hawaii mortgages, would, of course, be limited by the amount permitted under FHA insurance or VA guaranty legislation.

REDUCTION IN CAPITAL CONTRIBUTION TO FNMA BY MORTGAGE SELLERS MADE POSSIBLE

The present requirement that mortgage sellers must subscribe to FNMA common stock in an amount equal to 3 percent of the unpaid amount of the mortgages, or such greater percentages as may from time to time be determined by FNMA, would be changed. The amendment would provide that sellers of mortgages to FNMA under its secondary market operations would be required to make capital contributions to FNMA equal to 2 percent of the unpaid principal amount of mortgages purchased or to be purchased by the association, or such other greater or lesser percentage, but not less than 1 percent, as may from time to time be determined by the association, taking into consideration conditions in the mortgage market and the general economy.

MORTGAGE PURCHASE PRICES TO BE ESTABLISHED WITHIN THE RANGE OF MARKET PRICES

FNMA would be authorized to establish the prices to be paid for mortgages purchased in its secondary market operations within the range of market prices for the particular class of mortgages involved instead of at the market price as presently required.

URBAN RENEWAL PLANS

An unnecessary requirement would be removed from the present law under which an identifiable urban redevelopment plan must be part of an urban renewal plan if rede-

velopment of part of the urban renewal area is planned along with rehabilitation and conservation of the balance of the area.

CHANGES IN DEFINITION OF "URBAN RENEWAL PROJECT"

The definition of "urban renewal project" in the Housing Act of 1949, as amended, would be amended to make the whole urban renewal area (instead of merely the area to be cleared, as under present law) subject to the predominantly residential requirement. Under the present predominantly residential requirement an urban redevelopment area (i. e. the area to be cleared) must, with certain exceptions, either be predominantly residential to begin with or else be redeveloped for predominantly residential uses. This change would thus make the requirement consistent with other requirements in title I which apply to the whole urban renewal area. The definition would also be amended to consolidate the provisions relating to slum clearance and redevelopment with those relating to rehabilitation and conservation.

LOSS OF CERTAIN TAX REVENUES AS URBAN RENEWAL PROJECT COST

A new provision would permit an amount equal to the ad valorem taxes on real property acquired by a local public agency in an urban renewal project to be included in the gross project cost if the local public agency has not paid such taxes or made payments in lieu of taxes during the time the real property was in its possession. This would provide for equitable treatment as between communities which receive tax payments on real property held by a local public agency and those which do not.

URBAN RENEWAL IN MAJOR DISASTER AREAS

The Housing Administrator would be authorized to extend urban renewal assistance to major disaster areas, under certain conditions, without regard to requirements that the community must have a workable program for the prevention and elimination of slums, that the urban renewal plan must conform to a general plan of the locality, requirements of public hearings, and certain requirements with respect to the predominantly residential character or blighted character of urban renewal areas.

The FHA sections 220 and 221 urban renewal housing programs would also be amended to permit temporary waiver of the present workable program requirement, and urban planning grants would be permitted for a community affected by a major disaster without regard to the fact that the community's population is 25,000 or greater.

URBAN PLANNING AUTHORIZATION INCREASED

The urban planning grant authorization would be increased from \$5 million to \$10 million.

SEVENTY THOUSAND ADDITIONAL LOW-RENT PUBLIC HOUSING UNITS AUTHORIZED

New loan and annual contributions contracts would be authorized for not more than 35,000 additional low-rent public housing units after July 31, 1956, and an additional 35,000 on and after July 1, 1957. Each 35,000 increment would be available for contracting until 2 years after it first becomes available.

WORKABLE PROGRAM REQUIREMENT RESTORED FOR LOW-RENT PUBLIC HOUSING

The previous requirement that the locality must have a workable program for the prevention and elimination of slums before a contract could be entered into for Federal assistance to low-rent public housing (which was dropped by the Housing Amendments of 1955) would be restored to the law.

LOW-RENT PUBLIC HOUSING FOR THE ELDERLY

Single persons 65 years of age or over with low incomes would be made eligible for low-rent public housing units, and local housing authorities would also be permitted to ex-

tend a prior preference, as among low-income families which are eligible applicants for occupancy of dwellings of given sizes and at specified rents, to elderly families (including single persons 65 years of age or over) for any low-rent housing designed specially for, or suitable to the needs of, such elderly families. As among applicants eligible for this preference, those displaced by slum clearance or other governmental action would be given a first preference. The limit of \$1,750 per room on the cost of low-rent public housing would be increased to \$2,250 per room where units are designed specifically for elderly families.

TRANSFER OF FARM LABOR CAMPS

The Public Housing Administration would be directed to transfer farm labor camps without monetary consideration to local public housing agencies in the areas of the camps if requested within 12 months after enactment of the bill and the local public housing agency certifies as to the low-rent need for the project and that preferences will be given, first, to low-income agricultural workers and, second, to other low-income persons and families.

DISPOSAL OF DEFENSE HOUSING

Provision would be made for the disposal of the temporary or relocatable Korean defense housing projects still held by the Housing Agency—about 10,000 units. Forty-two of these projects, plus 3 World War II projects (on or near military reservations), needed for continuing use by military personnel would be transferred to the Department of Defense, effective July 1, 1956. The remainder of this defense housing held by the Housing Agency would be sold to the highest bidder not later than June 30, 1957 (unless previously disposed of under other provisions of law). The Tonomy Hill World War II project at Newport, R. I., would be transferred to the local housing authority. However, a first preference would have to be given to military personnel in a certain number of units in that project for 3 years.

MODIFICATION OF WAR HOUSING SALES PREFERENCE PROVISIONS

A new provision would be added to the Lanham Act designed to accelerate the disposition of two classes of permanent war housing. One class consists of housing which is to be sold for removal from the site. The other consists of projects to be sold onsite which cannot be subdivided in such a manner as to offer for separate sale dwelling structures designed for occupancy by not more than four families. In the first class of housing the existing sales preference requirements would be eliminated effective upon enactment of the bill, and in the second class, all preference requirements would be terminated with respect to the onsite sale of the nondivisible projects which the Housing Agency holds on January 1, 1957, as of that date. All housing disposed of under the new provision must be disposed of as expeditiously as possible on a competitive basis to the highest responsible bidder, except that the Housing Administrator may reject any bid which he determines to be less than the fair market value of the property and may thereafter dispose of the property by negotiation.

INCREASE IN COLLEGE HOUSING LOAN FUND AUTHORIZATION

The college housing revolving loan fund authorization would be increased from \$500 million to \$600 million.

INCREASE IN INTEREST RATES—COLLEGE HOUSING LOANS

The formula in the present law with respect to the interest rate paid by the Housing Administrator on funds borrowed from the United States Treasury for college housing loans would be changed to provide that such funds shall bear interest at a rate, calculated each calendar quarter, based on the current

average market yield on all outstanding marketable obligations of the United States having a remaining maturity of 15 or more years. This formula would be in place of the formula now in the law which bases the interest rate on the average rate borne by all interest-bearing obligations of the United States, irrespective of maturity, as computed at the end of the preceding fiscal year, or 2½ percent, whichever is higher. The rate proposed by the bill would currently result in the Housing Administrator paying 2½ percent on funds borrowed from the Treasury. Under the present law, the rate for fiscal year 1956 is 2½ percent.

The bill would also require the Housing Administrator, in making college housing loans, to charge a rate equal to that payable by him to the Treasury plus one-fourth of 1 percent. The present law provides for a similar spread, except that if the resulting rate is less than 2½ percent, the higher rate must be charged. Because of the different base to which the one-fourth percent differential would be applied under the bill as compared with the present law, the net result of the bill, under current market conditions, would be to change the college housing loan interest rate from 2¾ percent to 3½ percent.

These changes are designed to increase participation by private lenders in bond issues sold by colleges to finance college housing construction.

HOUSING DATA

The Housing and Home Finance Administrator would be authorized to undertake such surveys, studies, and compilations and analyses of statistical data and other information as he determines to be necessary in the exercise of his responsibilities, including the formulation and carrying out of national housing policies and programs. He would utilize the available facilities of other Government agencies, and such agencies would be required to confer with and advise the Administrator, at his request, on improvements in any existing or proposed systems and techniques for gathering and reporting housing and related data.

PSYCHOLOGICAL WAR FOR PEACE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include an address by Mr. J. Addington Wagner, national commander of the American Legion.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope everyone in the country will read the speech by Commander J. Addington Wagner, national commander of the American Legion, given at a dinner by the department of Massachusetts in his honor at Boston, Mass., on Saturday, February 25, 1956. The theme of the speech was on winning the fight for men's minds and he made very fine suggestions and outlined a splendid program, which I hope may be carried out. He indicated in his speech that he feels that we are losing to the Russians the control of men's minds to communism. You could have heard a pin drop as he spoke and when he finished he was given a standing ovation. I have endeavored for a number of years to secure the establishment of a permanent committee of the House to watch over our informational and intelligence service abroad.

It seems to me that we are losing, as Commander Wagner cites, the battle for men's minds. I would call it a psychological struggle for peace rather than psychological warfare.

Mr. Speaker, the very fine speech made by Commander Wagner, previously referred to, follows:

I am very happy to be here tonight and grateful for this opportunity to meet with you good Massachusetts Legionnaires and Auxiliary members.

The department of Massachusetts has long occupied a strategic role in American Legion affairs. Your record of dedicated, effective support of our programs of service for God and country is unsurpassed throughout our organization. Whether it is fighting for the security of our country, working for the welfare of our children, contributing to the strength and preservation of our freedoms, or helping buddies in need, you devote yourselves to our programs so completely and so successfully that it's possible for us to say tonight: It's great to be an American Legionnaire.

Here in the Commonwealth of Massachusetts and in your historic capital city, the American Legion's programs to strengthen and preserve the freedoms with which we have been blessed take on a special meaning. The names of Boston and Concord and Bunker Hill will be enshrined in the hearts of all Americans as the birthplace of liberty.

It would be impossible for any American to visit Boston and to see such historic monuments to freedom as the old North Church without having a renewed, deepened love of America and all that it means to us. It seems to me that you Bay State Legionnaires and your fellow-citizens could never fail to be inspired and strengthened by the landmarks of liberty that surround you.

I know that my heart beats faster and my pulse more strongly as I stand on the very ground where patriots died so that I might live in freedom.

Yet, in remembering their sacrifices, in reliving for the moment the drama of liberty enacted on this historic land nearly 2 centuries ago, I have tried not to forget that freedom is a very present and personal thing.

Freedom is not something that can be purchased once and forever secured. It must be defended by every generation. It is true today as it was yesterday and as it will be tomorrow, that eternal vigilance is the price of liberty.

Are we vigilant enough today to protect our freedoms? Are we prepared to defend our liberties and our way of life against the Godless tyranny of communism * * * the greatest threat to freedom the world has ever known?

In seeking the answer to this question, we naturally and necessarily think in terms of military preparedness. We question earnestly and honestly whether our program of national security will enable us to meet the great and growing military power of Russia and her Communist satellites. We wonder whether the structure of collective security built by the free nations of the world on the foundation of America's military and economic strength can withstand the tidal wave of Red aggression that might be unleashed against it.

The American Legion has not been satisfied completely with the answers to these questions. We have recommended certain essential steps which should be undertaken immediately to accelerate the buildup in our Air Force, to increase the fighting power of our Navy and Army, to bring into being and complete readiness a strong, trained Reserve force, and to expand and improve military research and development.

These steps and measures to maintain our own economic strength while selectively helping to increase the financial and mili-

tary power of other free nations are essential. They are imperative if we are to remain strong enough to deter the Communist aggressor or defeat him if he should attack.

But tonight I must tell you in all sincerity that all we have done and will continue to do militarily and economically in the defense of freedom cannot stop the spread of communism.

Indeed, our tremendous investment in the defense of America and the other free nations of the world is threatened tonight because we have been losing the battle for the minds of men.

The Kremlin has outflanked our military-economic defense line to hit and hurt us seriously in recent weeks with weapons of words.

We may scornfully condemn these Soviet words as lying propaganda. We may resent bitterly the distortions of truth coming from Moscow. But unless we're prepared to stand alone as freedom's last defender in a Kremlin-dominated world won over in a bloodless war of words, it is time we woke up to reality.

Tonight, enslaved millions in Communist-controlled countries behind the Iron Curtain, and hundreds of millions of uncommitted people throughout the non-Communist world whose constant source of news bears the Kremlin dateline, are reading headlines like this: "United States says it wants Middle East peace—Ships 18 tanks to Saudi Arabia while considering further arms aid to Israel."

In previous weeks they saw pictures of United States balloons carrying elaborate, high-altitude camera equipment, which had been forced down above Moscow or Leningrad or some other Russian city. The stories accompanying these pictures told of how the United States tried to pretend that these balloons were solely for weather observation purposes. But the cameras proved otherwise, didn't they?

Moreover, the United States had agreed to stop sending these balloons over Russia and her Communist satellite nations. This to them was an admission per se that the United States was guilty as charged by the Kremlin.

These stories also emphasized the human-interest side of the news.

Not only were these balloons a threat to the military security of the Russian and satellite people, they endangered aircraft flying in Soviet-dominated skies, and even caused the crash of a civilian airplane with a tragic loss of life.

Absurd? From our standpoint perhaps. But hardly from the viewpoint of readers who know no other facts—who have had these documented illustrated stories fed to them day after day after day.

How do you suppose the United States looks to these same people who have been reading repeatedly in recent weeks that our country, after having rejected Moscow's first proposal for peace, has yet to reply to the Kremlin's second offer?

I'll tell you what they think—what they can't help but think because we have not given them the truth.

Millions of people throughout the world today stand ready to join forces with that ideology and that way of life which they believe to be in their best interests. Russia is trying to propagandize these people and the millions now behind the Iron Curtain who once knew freedom and the power of truth into believing that the United States has no intention of cooperating in any honest, sincere efforts to find a just and lasting peace. The so-called evidence furnished by the Kremlin is designed to compel the conclusion that the United States is actively preparing for war.

To us, of course, such a conclusion is an absolute lie. We find it hard to believe that anyone could fall victim to pure propaganda

and forget all that America has done to prove its dedication to freedom and to the cause of peace.

But this kind of thinking has led us to the brink of defeat in the battle for the minds of men. It will continue to be a roadblock to victory in this vital struggle as long as we permit ourselves the luxury of believing that all men recognize communism for what it really is—that all men see through the lies and deceit and treachery of Communist propaganda.

Unless and until the United States admits that to date we have been beaten and beaten badly by the Communists in the fight for men's minds, we will not take the bold, drastic action necessary to reorganize and reinforce our defenses on this vital front.

The examples of recent Russian propaganda which I cited a moment ago, and they are only three of many, dramatically demonstrate the shocking weakness of our efforts to inform the world about America, and about our policies, our programs, and our people.

Let's be honest about it. The Russians threw us the propaganda ball and we booted it in a manner not befitting our claims as the most advertising-conscious, promotion-minded Nation in the world.

We boast about being able to sell an ice box to an Eskimo, about fashioning a self-generating higher standard of living through advertising—advertising which creates an ever-widening circle of more customers caused by more workers to build more products for customers first sold through advertising.

Yet we have not been able to sell competitively the most inspiring, richly rewarding, sought-after product ever conceived by the God-given mind of many—freedom. Men have died to create this product. Men have died in its defense. Yet, we have not been able to sell freedom in competition with communism—the most godless, degrading, enslaving tyranny that ever existed.

Why?

Because we haven't tried to, not on the all-out crash basis that is required if we are to win the battle for the minds of men.

We've got the product and we've got the talent in America to put it across. What we lack is the planning, the coordination, and the support on a national level which must be brought into force.

I say to you tonight that the time has come for the President of the United States and the Congress, working together in this urgent cause, to reevaluate our entire information program. A single, Federal program must be evolved, and immediately, to reverse the serious defeats we have suffered in recent months alone at the hands of Russian propagandists.

A proper evaluation of existing Government information programs overseas can best be assured, I believe, by the appointment of a Presidential Committee composed of recognized national leaders in all of the information and advertising media to study present information programs, policies, personnel, facilities, and budgets.

This committee would have as its objective not only an evaluation of existing programs, but the establishment of goals and requirements reflecting the vital importance of winning the battle for the minds of men.

As a nation, we cannot afford to devote less effort, less resources, and less time to this urgent task than do the Russians, any more than we can afford to do less than the enemy in the field of national defense. For men who have surrendered to Communist propaganda are no more free than those who succumbed to Communist aggression.

Whatever the method to be used in establishing an effective United States information program, it must certainly provide the authority and the coordinating machinery which will prevent repetition of the confused,

conflicting handling of the Russian balloon-propaganda charges.

We can no longer afford the luxury of having one agency of the Federal Government replying to such charges and another later telling it to shut up. The lack of national policy and lack of coordination which permitted such conflicting statements cannot continue uncorrected.

Whether by law or by Presidential directive or both, action must be taken to provide effective, speedy machinery by which a single uncontradicted national policy on such matters can be determined and announced and effectively repeated to the world.

Finally, the Congress must provide the budgetary support needed to make a revitalized and dynamic United States information program effective.

Of course, the question will be asked, Can we afford it?

The real question, however, is, Can we afford not to afford it?

Obviously, we cannot.

I am certain that you Bay State Legionnaires and Auxiliary members have been as disturbed as I have been about the fact that the United States is losing the battle for the minds of men. You recognize, as I do, that our security and our freedoms will be jeopardized as seriously by this loss as they would be by Communist military victories on the field of battle. And I'm sure you share my belief that America can win this battle, late though it may be, if we but put our minds to it.

Second only to the story of Christ, we have the greatest story to tell that mankind has ever known—the story of freedom—freedom that began here. We have the know-how and the resources to make this story a best seller. Let's begin telling our story today with traditional American vigor and dramatically show waiting millions throughout the world that freedom under God is man's greatest hope for happiness and lasting peace.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. HOFFMAN of Michigan, for 15 minutes, on Wednesday and Thursday of this week.

Mr. MEADER, for 30 minutes on Wednesday, February 29, and that the special order granted him for today may be vacated.

Mr. O'NEILL, for 10 minutes today, and to include therein two newspaper articles.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KING of California (at the request of Mr. DOYLE) and include related material.

Mr. DENTON and include a statement he made today before the Veterans' Committee.

Mr. OSTERTAG.

Mr. HOSMER and to include extraneous matter.

Mr. WOLVERTON in two instances and to include extraneous matter.

Mr. MILLER of Nebraska and to include charts.

Mr. UTT and to include extraneous matter.

Mr. FLOOD and to include extraneous matter.

Mr. MULTER and to include extraneous matter.

Mr. DAWSON of Utah and to include extraneous matter.

Mr. KEATING.

Mr. SIEMINSKI in two instances and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JENKINS (at the request of Mr. MARTIN), for 3 days on account of official business.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLISON, from the Committee on House Administration, reported that that committee did on February 23, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 1887. An act for the relief of Dr. Tsi Au Li ((Tsi Gziou Lo)).

H. R. 2430. An act to release restrictions on certain real property heretofore granted to the city of Charleston, S. C., by the United States of America; and

H. R. 8101. An act to authorize the Secretary of the Army to give 25 World War II paintings to the Government of New Zealand.

ADJOURNMENT

Mr. SIEMINSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 28, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1573. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to amend section 302 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948, as amended"; to the Committee on Armed Services.

1574. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 8, 1945 (59 Stat. 434); to the Committee on House Administration.

1575. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 20, 1956, submitting a report, together with accompanying papers, on a letter report on Dickinson Bayou, Tex., authorized by the River and Harbor Act approved March 2, 1945; to the Committee on Public Works.

1576. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 23, 1956, submitting a report, together with accompanying papers, on a letter report on Las Chollas Creek, San Diego County, Calif., authorized by the Flood Con-

trol Act approved August 18, 1941; to the Committee on Public Works.

1577. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 20, 1956, submitting a report, together with accompanying papers, on a letter report on Lake Minnetonka, Minn., authorized by the River and Harbor Act approved May 17, 1950; to the Committee on Public Works.

1578. A letter from the Acting Postmaster General, transmitting a draft of proposed legislation entitled "A bill to amend title 18 of the United States Code, relating to the mailing of obscene matter"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committee were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ANDREWS: Committee on Appropriations. H. R. 9536. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 1812). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5975. A bill to authorize the Secretary of the Interior to reimburse owners of lands acquired under the Federal reclamation laws for their moving expenses, and for other purposes; with amendment (Rept. No. 1813). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8226. A bill to amend section 1 of the act of March 4, 1915, as amended (48 U. S. C., sec. 353); without amendment (Rept. No. 1814). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations; without amendment (Rept. No. 1815). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks; with amendment (Rept. No. 1816). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 6623. A bill to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency; without amendment (Rept. No. 1817). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. A report on cargo preference and its relation to farm surplus disposal program pursuant to section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.); without amendment (Rept. No. 1818). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5488. A bill to authorize the sale of certain land in Alaska to Gilbert Henkens, Jr., star route, mile 17½, Anchorage, Alaska; with amendment (Rept. No. 1811). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred to as follows:

By Mr. McCORMACK:
H. R. 9534. A bill to provide for the payment of compensation for certain losses and damages caused by United States Armed Forces during World War II, and making appropriation therefor; the the Committee on Appropriations.

By Mr. MARTIN:
H. R. 9535. A bill to provide for the payment of compensation for certain losses and damages caused by United States Armed Forces during World War II, and making appropriation therefor; to the Committee on Appropriations.

By Mr. ANDREWS:
H. R. 9536. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

By Mr. WIDNALL:
H. R. 9537. A bill to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities; to the Committee on Banking and Currency.

By Mr. ABERNETHY:
H. R. 9538. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 9539. A bill to amend, with respect to basic commodities, the parity provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. BLATNIK:
H. R. 9540. A bill to extend and strengthen the Water Pollution Control Act; to the Committee on Public Works.

By Mr. BURNSIDE:
H. R. 9541. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHENOWETH:
H. R. 9542. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DENTON:
H. R. 9543. A bill to provide for an annual audit of the accounts of the White County Bridge Commission; to provide a new method of appointment for the commissioners and for staggered terms of office; to exempt the income of the commission from Federal taxation; and to clarify the authority of the commission to transfer all its assets to certain public agencies; to the Committee on Public Works.

H. R. 9544. A bill to terminate the White County Bridge Commission, to transfer its assets, liabilities, functions, and authority to the Commissioner of Public Roads, and to authorize the transfer of the bridge operated by the commission to certain State agencies; to the Committee on Public Works.

By Mr. GUBSER:
H. R. 9545. A bill to amend section 213 of the Internal Revenue Code of 1954 to provide

that amounts paid for the medical and dental care of children who have not attained the age of 6 shall be deductible without regard to the limitations contained in such section; to the Committee on Ways and Means.

By Mr. HAGEN:
H. R. 9546. A bill to provide authorization for emergency flood-protection projects in areas of the United States where such projects are needed for the protection of life and property; to the Committee on Public Works.

By Mr. HALE:
H. R. 9547. A bill to amend section 701 of the Federal Food, Drug, and Cosmetic Act so as to simplify the procedures governing the prescribing of regulations under certain provisions of such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:
H. R. 9548. A bill to amend section 409 of the Interstate Commerce Act, as amended, to authorize contracts between freight forwarders and railroads for the movement of trailers on flatcars; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Arkansas:
H. R. 9549. A bill to amend Public Law 815, 81st Congress, in order to provide a permanent program of assistance for school construction under the provisions of titles III and IV of such law, and for other purposes; to the Committee on Education and Labor.

H. R. 9550. A bill to amend Public Law 874, 81st Congress, in order to establish a permanent program of financial assistance for local educational agencies under the provisions of such law, and for other purposes; to the Committee on Education and Labor.

By Mr. HYDE:
H. R. 9551. A bill to transfer to the Government of the District of Columbia the Public Employment Service for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KING of California:
H. R. 9552. A bill to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management, and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANE:
H. R. 9553. A bill to provide a program of grants and scholarships to encourage education and training in the field of nursing, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK:
H. R. 9554. A bill to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; to the Committee on Public Works.

H. R. 9555. A bill to amend section 205 of the Flood Control Act of 1948 to increase and make certain revisions in the general authorization for small flood-control projects; to the Committee on Public Works.

By Mr. MASON:
H. R. 9556. A bill to provide that the tax on admissions shall not apply to moving-picture admissions; to the Committee on Ways and Means.

By Mr. METCALF:
H. R. 9557. A bill to provide for equality of treatment in the restoration to tribal ownership of surplus lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MILLS:
H. R. 9558. A bill to allow individuals to deduct for Federal income-tax purposes not to exceed \$100 each year of political contributions made to candidates for elective Federal offices; to the Committee on Ways and Means.

H. R. 9559. A bill to amend the Internal Revenue Code of 1954 to provide tax treatment with respect to oil, gas, or production payments and to provide a special rule for determining an oil or gas property; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee:

H. R. 9560. A bill to promote the interest of national defense through the advancement of the scientific and professional research and development program of the Department of Defense, to improve the management and administration of the activities of such department, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9561. A bill to increase the minimum postal-savings deposit, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9562. A bill to amend the act entitled "An act to reimburse the Post Office Department for the transmission of official Government-mail matter," approved August 15, 1953 (67 Stat. 614), and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOLLOHAN:

H. R. 9563. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions and for other purposes; to the Committee on Ways and Means.

By Mr. POLK:

H. R. 9564. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRESTON:

H. R. 9565. A bill establishing Camp Stewart, Ga., as a permanent military installation; to the Committee on Armed Services.

By Mrs. ST. GEORGE:

H. R. 9566. A bill to readjust size and weight limitations on fourth-class (parcel post) mail; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. R. 9567. A bill granting the consent and approval of Congress to the Middle Atlantic Interstate Forest Fire Protection Compact; to the Committee on Agriculture.

By Mr. LATHAM:

H. J. Res. 558. Joint resolution to provide for observing certain legal public holidays on Monday; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 407. Resolution to authorize the Committee on the Judiciary to conduct a study and investigation of the influence of professional gamblers on amateur and professional sports; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly, memorializing Congress on the low-income public-housing development for senior citizens; to the Committee on Banking and Currency.

By Mr. HESELTON: Resolutions of the Massachusetts State Senate, urging the Congress of the United States and the Secretary of Defense to provide Watertown Arsenal with work in the guided-missile and new weapons fields; to the Committee on Armed Services.

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to restore to the citizens their constitutional rights to own, hold, and possess gold and to buy and sell gold in a free market; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States

to appropriate sufficient funds to purchase a tract of land adjacent to the Zachary Taylor National Cemetery to be included as part of Zachary Taylor National Cemetery; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to reduce the "retirement age," as defined for eligibility for the benefits of the Social Security Act, from 65 years to 60 years of age; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to reduce the age of qualification for the benefits of the old-age-assistance program from 65 years to 60 years of age; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to provide Watertown Arsenal with work in the guided-missile and new weapons field; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States relative to condemning and protesting the usurpation and encroachment on the reserved powers of the States by the Supreme Court of the United States, calling upon the States and Congress to prevent this and other encroachment by the Central Government and declaring the intention of South Carolina to exercise all powers reserved to it, to protect its sovereignty and the rights of its people; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 9568. A bill for the relief of Giacomo Joseph Bertolone; to the Committee on the Judiciary.

By Mr. BENNETT of Michigan:

H. R. 9569. A bill for the relief of Kurt Johan Paro; to the Committee on the Judiciary.

By Mr. BETTS:

H. R. 9570. A bill for the relief of Albert A. Heinze; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 9571. A bill for the relief of Peter Henry Reich; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 9572. A bill for the relief of John S. Ewing; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 9573. A bill for the relief of Mrs. Willie Soher; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 9574. A bill for the relief of William R. Overton; to the Committee on the Judiciary.

By Mr. HAYS of Arkansas:

H. R. 9575. A bill for the relief of Cooperative for American Remittances to Everywhere, Inc.; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 9576. A bill for the relief of Harold John Begley; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 9577. A bill for the relief of Louis Hoekveld; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 9578. A bill to provide for the conveyance of the reversionary interest of the United States in and to certain lands in Colo-

rado; to the Committee on Government Operations.

By Mr. SCOTT:

H. R. 9579. A bill for the relief of Nicola Marcello; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 9580. A bill for the relief of Angus Learie; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. R. 9581. A bill to provide for the conveyance of certain real property of the United States to the Good News Camp, Port Hope, Mich.; to the Committee on Government Operations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

570. By Mr. CURTIS of Massachusetts: Petition of the City Council of the City of Boston, Mass., relative to Israel's application for arms; to the Committee on Foreign Affairs.

571. By Mr. ELLSWORTH: Petition of Mrs. Clarence Curries and 22 other citizens of the city of Roseburg, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

572. Also, petition of Zina M. Canada and 34 other citizens of Roseburg, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

573. By Mr. SHORT: Petition of Rev. H. J. Meritt and other citizens of Crane, urging legislation which would prohibit the advertising of alcoholic beverages on radio and television; to the Committee on Interstate and Foreign Commerce.

574. Also, petition of Mrs. Nora J. McNeill and other citizens of El Dorado Springs, protesting the advertising on radio and television of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

575. By Mrs. ST. GEORGE: Resolution of the Board of Supervisors of the County of Orange, N. Y., requesting the Congress to study and take appropriate action in respect to flood damage in Orange County; to the Committee on Public Works.

576. By Mr. SMITH of Wisconsin: Resolution adopted by the Frost Federal Labor Union 19985 at Kenosha, Wis., on February 24, 1956, opposing the Weeks committee report for financing a national highway program and supporting a bold, long-range program for construction, the cost of which to be equitably distributed among the population of the country; to the Committee on Public Works.

577. By the SPEAKER: Petition of the president, New England Conservatory Alumni Association, Boston, Mass., petitioning consideration of their resolution with reference to the Cathedral of the Pines, at Rindge in the State of New Hampshire be designated and recognized as a national shrine—an altar of the Nation—a perpetual monument in our beloved country, the United States of America; to the Committee on Internal and Insular Affairs.

578. Also, petition of the chairman, Long Island Chapter, Knights of Columbus, Brooklyn, N. Y., petitioning consideration of their resolution with reference to expressing their support of the principles of the proposed Bricker amendment to our Federal Constitution; to the Committee on the Judiciary.

579. Also, petition of the executive secretary, Associated Equipment Distributors, Chicago, Ill., petitioning consideration of their resolution with reference to the extent and methods of financing a compre-

hensive national highway program and enact legislation during the 84th Congress providing for the authorization and financing of such a program; to the Committee on Public Works.

580. Also, petition of the county clerk, county of Hawaii, Hilo, T. H., petitioning consideration of their resolution with refer-

ence to requesting passage of legislation for an equitable reapportionment of membership in the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

581. Also, petition of the president, the Estonian National Committee in the United States, New York, N. Y., petitioning consid-

eration of their resolution with reference to sounding the alarm to the peoples yet free regarding the expansion of communism, and that our greatest trust lies in the generosity and enlightened self-interest of this free and powerful country, the United States of America; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Anniversary of Independence of Lithuania

EXTENSION OF REMARKS OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, February 27, 1956

Mr. BUTLER. Mr. President, February 16 was the anniversary of the independence of Lithuania. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I made in observance of this important day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

Throughout the world freedom-loving men pause on February 16 to observe the anniversary of the independence of Lithuania. In America and other free nations there will be large gatherings to mark this occasion. But, the people of Lithuania can at best only gather in small groups in their homes to observe their Independence Day. The Communist overlords do not permit them to openly celebrate this day in their native land. Yet, while the right of open assembly can be denied to them, no power on earth can wipe the glorious past of this brave nation from the pages of history nor tear from the hearts of the people of Lithuania the ardor and devotion for freedom and independence.

For centuries the Lithuanian people have been in the forefront of man's continuing struggle against oppression. Over 600 years ago the first independent Lithuanian state was organized and through the centuries this small but noble country developed into a leader among the peace-loving peoples of Europe.

However, a strong and vicious neighbor, even then hungry for conquest, forcibly annexed Lithuania in the 18th century and she disappeared from the maps of Europe as an independent state. At the end of World War I Lithuania regained her independence and became a model republic, only to be engulfed in the Red tide of expansionism at the start of the global conflict in 1939.

Yet, the people of Lithuania are neither broken nor discouraged by these stark realities. The fever of liberty and freedom is heightened, not dispelled, by this adversity. Their courage and indomitable will to resist grows stronger with every outrage committed against them by those who seek to become masters of their spirits as well as their bodies. We in America and her countless friends throughout the free world will remain true in our struggle to free Lithuania from the Communist yoke. We shall take courage from the valor of the Lithuanian people. We shall be sustained by their devotion to our common cause. We shall continue the struggle with every resource at our command to overcome the scourge—that godless conspiracy—which would enslave the entire

world, and which now has gallant Lithuania within its grasp. We will be steadfast in the position that all peoples can live in peace and harmony and that man's right to be free is not only inalienable, but unconquerable. With the strength of these convictions we have on our side the truly ultimate weapon of the atomic era, free man's faith in God and his own destiny.

People of Lithuania, we salute you on your Independence Day. You have our undying faith and respect, and we reverently pray that God will continue to give you the strength to carry on.

Atomic Power Will Obsolete Upper Colorado Powerplants

EXTENSION OF REMARKS OF

HON. JAMES B. UTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. UTT. Mr. Speaker, the proponents of the upper Colorado project seek to a large extent to justify the huge expenditure on the assumption that the sale of power will reimburse the Nation for the funds advanced with interest.

When the Boulder Canyon Project Act authorized Hoover Dam on the Colorado River, the legislation required that contracts for the sale of power be negotiated before the construction began. No such protection or guarantee is included in the upper Colorado project bill, and it is extremely doubtful that there will be a market for anywhere near a hundred years for power produced by the project.

The power units are proposed to be located in a region which has almost boundless energy potential in the greatest coal, oil shale, and uranium deposits in the country. When it is considered that atomic electric power will be available in the comparatively near future and this, combined with the other natural resources of the area, will make 6-mill power competitively obsolete in a few years, there would be little or no reimbursement to the Federal treasury.

We know that whereas 15 years ago nuclear power was practically unheard of, today commercial nuclear electric energy generating plants are actually being constructed. We are assured that nuclear electric energy will be produced much cheaper than hydroelectric energy and the time when this will be a fact is not far distant. Yet the planning figures for this project show that it may take up to a hundred years to pay for them out of the revenues produced by hydroelectric power. In fact, it is ex-

pected that these powerplants will pay not only for the cost of the power dams and installations but also 88 percent of the cost of the irrigation projects.

Proponents of the bill in having such expectations completely ignore the cost figures prepared by James A. Lane of Oak Ridge National Laboratory which show that while the cost of producing electricity in conventional steamplants is 7 mills per kilowatt hour, the cost in a nuclear plant would be 6.7 mills. The actual production of power, therefore, is less costly than by steam and then in addition, plutonium is produced as a by-product of the nuclear electric plant and can now be sold for approximately \$100 a gram. Even if the plutonium price were to drop back to its fuel value of about \$20 a gram, the cost of producing power by atomic energy would still be far less than any other method.

Can anyone doubt, in view of these facts, that the Colorado River project is financially unsound? The taxpayers of our Nation should not be forced to bear such a tremendous burden. I hope my colleagues will join with me in defeating this measure.

Lincoln Day Address by Hon. Edward Martin of Pennsylvania

EXTENSION OF REMARKS OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, February 27, 1956

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered at the Lincoln Day dinner of the Upshur County Republican Executive Committee, at Buckhannon, W. Va., on February 11, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR EDWARD MARTIN OF PENNSYLVANIA, AT THE LINCOLN DAY DINNER OF THE UPSHUR COUNTY REPUBLICAN EXECUTIVE COMMITTEE AT BUCKHANNON, W. VA., FEBRUARY 11, 1956

I am highly honored by your invitation to address this meeting of patriotic Americans.

I sincerely appreciate the privilege of joining with you in tribute to the memory of one of the greatest of all Americans, Abraham Lincoln.

And let me assure you, with equal sincerity, that it is always a pleasure to come to the great mountain State of West Virginia.

Through the years I have enjoyed the most agreeable association with many of your fine citizens in business, politics, military affairs, and in the activities of government. There are so many whose friendships I treasure, but I cannot come into West Virginia without making special mention of my long-time friend, your Republican national committeeman, Walter S. Hallanan.

He is a real American, an unselfish leader of the Republican Party, and a tower of strength in support of good government. Without expecting anything for himself he gives generously of his time, his means, and his energy to advance the welfare of his State and the Nation.

In honoring the immortal fame of Abraham Lincoln we recall with gratitude his greatest achievement, the preservation of the Union. We recall with pride that West Virginia, in those days of national crisis, gave the world an example of loyalty and faith in the American Republic.

In Lincoln's time the Nation was torn asunder by a great internal upheaval. Out of the turmoil and struggle of that day patriotic Americans rallied to defend the Union and the cause of human freedom.

They formed a new party—the Republican Party—dedicated to the principles set forth in the Declaration of Independence and the Constitution.

As one of the founders of the Republican Party and first Republican President of the United States Lincoln grows in stature year after year. He lived by high ideals and had the courage to stand by them in the face of discouragement and disappointment.

We must have the same courage today to do our full duty as Americans. The future of our Nation depends upon the course of action we take and the outcome of our fight for the principles in which we believe.

As Republicans we believe in freedom of the individual, freedom of enterprise and freedom of opportunity. These are American principles which have come down to us as a priceless heritage. They were the principles of Abraham Lincoln. They are the principles of the Eisenhower administration.

Three years of clean, decent Government have proven that the Republican Party is the party of peace, progress, and sound prosperity. There has never been an administration with such a brilliant record of achievement in so short a time.

We can be proud that we have a Republican administration at Washington without favoritism, without corruption, without extravagance and without socialistic regimentation.

We have a Republican administration that is sound, trustworthy, and economical, serving no special interests, but working to advance the welfare of all the people.

We have an administration that believes in the Constitution of the United States and respects its limitations on the power of the Central Government.

We have an administration that supports the American system of free enterprise which means unlimited opportunity, progress, and prosperity.

But we must remember that this year of 1956 is one of tremendous importance. It is a year in which we face a challenge that calls for all our courage, determination, and loyalty.

This year the American people will decide whether we will go forward to greater achievement under sound, constructive Republican leadership or whether we will return to the disastrous, crazy-quilt pattern of corruption, confusion, and Korea of the previous Democratic administrations.

There is no doubt whatsoever that the Republican Party has gained the confidence of the American people by its magnificent record under the inspired leadership of our great President, Dwight Eisenhower.

I cannot tell you whether he will be a candidate for reelection or not, but I am

firmly convinced of one thing. His decision will be made without thought of himself but will be based solely on whether he can fully and completely serve the best interests of the United States and the world.

Whatever President Eisenhower's decision may be, we can go into this year's national campaign with a record of achievement that reflects the basic philosophy of the Republican Party and the principles to which the Republican Party is dedicated.

Every real American, regardless of his politics, rejoices that we have gone through 3 years of the greatest prosperity we have ever known—prosperity based on a sound, expanding economy—without the blood, sweat, and tears of war.

In the heart of every American there is gratitude for the crowning achievement of the Eisenhower administration in bringing to an end the death and destruction of Mr. Truman's so-called police action in Korea.

It took great courage for Eisenhower to go over to Korea in fulfillment of his campaign pledge to do everything within his power to end the fighting. But no one has ever questioned his courage. Less than 6 months after he took office the guns were silenced—the casualty lists were ended and no more brave American boys gave their lives without hope of victory.

If the Republican Party had no other claim for credit, that alone would shine forth as a bright beacon of honor and glory.

It took great courage for the President to stand firm for a balanced budget and the reduction of the national debt before a further cut in taxes. That may not be popular with some people, but it is the right course for the safety and security of our Nation.

Let me review briefly some of the accomplishments in 3 years of Republican leadership:

Taxes have been cut within the margin of safety. The Republican 83d Congress in 1954 reduced taxes by nearly \$7½ billion, the largest tax cut ever made in a single year.

Government spending has been brought under control. The cost of government has been reduced by \$10 billion below the latest budget proposed by President Truman. We will have a balanced budget this year and next.

In 3 years there has been no significant loss in the purchasing power of the dollar. Inflation has been checked.

The personal income of the American people is at an all-time high.

More than 65 million working men and women are employed at higher wages and salaries than ever before.

Unfair restrictions on business and labor have been eliminated.

The 20-year trend toward centralization of Government in the socialistic pattern has been reversed.

Communists, fellow-travelers, and other disloyal subversives have been weeded out of the Government service.

Social security has been expanded and its benefits increased.

We have built a balanced military defense, the strongest in the history of our Nation.

We now have a firm, strong, dynamic foreign policy that has lessened world tension and has brightened our hope for peace.

These are just a few highlights. There are many more I could enumerate. Not the least of these are the high moral and spiritual values which guide President Eisenhower and which have restored honesty and decency to our National Government.

We believe with President Eisenhower that to serve the cause of world progress we must first protect the liberties of our own citizens. To go forward in leadership for freedom, justice, and peace we must preserve the American system of government.

Therefore, the Republican Party seeks no alliance with those who would socialize our country. The Republican Party rejects the support of those who think the American

form of government has outlived its usefulness. We ask no help from those who would distort the meaning of the Constitution to serve their selfish purposes.

In the great crusade which resulted in Republican victory and the election of President Eisenhower, we did not promise an easy way of life. We did not promise security from the cradle to the grave, without effort and without cost.

We did not seek to create disunity. We did not array one class against another or stir up sectional hatreds.

But we did make a solemn pledge to the American people that their liberties would be protected by a financially sound Government structure, based on sound fiscal policies and rigid economy.

We promised to protect American freedom from the dangers of socialistic experimentation which would concentrate all authority in the Central Government.

We promised that unwarranted peacetime controls that shackled the expansion of productive enterprise would be removed. We pledged the Republican Party to create an atmosphere that would once more provide incentives for free enterprise to function for the maximum benefit of every man and woman who works for a living.

Those pledges have been fulfilled. The Republican Party has been faithful to its campaign promises.

The memorable words of Abraham Lincoln have come down to us for inspiration and guidance.

When the Republican Party was being organized 100 years ago he said, and I quote:

"Let us, in building our new party, plant ourselves on the rock of the Declaration of Independence and the gates of hell shall not be able to prevail against us."

The political wisdom of Abraham Lincoln grows more impressive with the passing years. It calls upon us in our day to reaffirm our allegiance to the heritage passed on to us by the Founding Fathers, preserved for us by the first Republican President and strengthened by the high spiritual concept of government to which our great President, Dwight Eisenhower, is dedicated.

Let us go out from this dinner with renewed determination to face the challenge of 1956.

America must not turn back.

With the honored memory of Abraham Lincoln to inspire us we can go forward to victory—victory for the Republican Party—victory for the United States and the free world.

No Floors in Their Churches on Trinidad, British West Indies

EXTENSION OF REMARKS OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. SIEMINSKI. Mr. Speaker, a Baptist sect on the island of Trinidad, British West Indies, has no floors in its churches. A chauffeur on Trinidad developed the story in this way:

"There are many religions here. A Baptist group does not have any floors in its churches.

"Why not?

"They love Mother Earth, believe it the supplier of strength and inspiration. It grows our food, nourishes our animals and gives us water to drink. These

Baptists go on retreats lying in the ground, buried up to their chins. For over 20 days, they drink only fluids. They believe in this state, mother earth will give them visions and inspiration enough to carry them over until their next retreat. So they are most at home when they worship in their churches standing on the ground."

Mr. Speaker, when I related this story to Congressman BURDICK, of North Dakota, a Baptist, he said:

Well, don't you know, in politics, we say that a man with his feet on the ground can't be beat.

Colorado River Storage Project

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. DAWSON of Utah. Mr. Speaker, there is an increasing tendency on the part of southern California spokesmen to attempt to convince other Members of Congress that without the use of the Colorado River the State will die of thirst. This is simply not true. Southern California does not need to take Colorado River water belonging to the upper basin States in order to meet her own water needs.

Informed California officials are on record to the effect that California has enough water within its borders to meet its own requirements for many years to come.

Excerpt from Preliminary Report on the Major Features of the California Water Plan in the North Coastal Area, dated January 3, 1956:

The data developed in State Water Resources Board Bulletins Nos. 1 and 2 demonstrate the basic geographical water problem of California, and also indicate the solution to that problem. From the abundant water supplies of the north coastal area and the Sacramento River Basin, an average of approximately 23 million acre-feet of water per season will ultimately have to be developed and exported to the remaining inherently water-deficient areas of the State. These exports will be surplus waters, over and above the waters needed in the north coastal area and the Sacramento River Basin for ultimate local use. With the full practicable development of local water resources in all areas of the State for local use, and with the water available under California's rights in and to the waters of the Colorado River, these exports from the north will satisfy the probably ultimate requirements for water in all parts of the State.

Excerpts from an article by J. J. Deuel, director, California Farm Bureau Public Utilities Department and Water Problems Department, entitled "California's Water Program," which appeared in the California Farm Bureau Monthly of January 1956:

It is estimated that the present annual use of water in California is approximately 21 million acre-feet; that 51 million acre-feet will support a population in California of 40 million people, and that the total amount of water available each year is ap-

proximately 70 million acre-feet. Based on the above figures, which are supported by extensive studies made by the State engineer, it is apparent that there is sufficient water available to supply the needs of California into the far distant future. The problem is one of stopping the surplus water from wasting into the ocean and making it available where needed for domestic, agricultural, and industrial uses. The Feather River project has an important place in the plan to bring that about.

Quotation, Engineering News-Record, February 9, 1956:

Spokesman for the Metropolitan Water District of Southern California, C. C. Elder, held that while sewerage reclamation is the district's most important reserve, with its Colorado River aqueduct operating at only 33 percent of capacity the district couldn't see asking taxpayers to pay for waste water reclamation when the aqueduct won't reach full capacity for another 20 years.

February Is Catholic Press Month

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 28, 1956

Mr. KEATING. Mr. Speaker, February is being commemorated all over this Nation as Catholic Press Month. It is with great pleasure that I pay tribute today to those publications which faithfully report on events of significant and special interest to Catholic readers.

The Catholic press of the United States is filling a definite need. It is primarily concerned with giving a more detailed report on Catholic events than do secular papers and evaluating the changing times in which we live. The high quality and uniform excellence of our Catholic press is confirmed by the high esteem in which it is held by all its readers. They look to it for the guidance and interpretation so badly needed by all of us today.

The paper with which I happen to be most familiar, and which I salute also today, is the Catholic Courier Journal, which is the official newspaper of the diocese of Rochester. Its circulation is over 53,000. Its coverage of the news is complete, timely, and well written. By means of wire services from all over the world, the Courier Journal is able to supply its readers with the latest, up-to-the-minute happenings soon after they take place. This fine paper also carries accurate accounts of important Catholic events and is noted for its complete coverage of significant Catholic news.

Mr. Speaker, the Catholic Courier Journal of my city is just one of many fine Catholic newspapers of this country. It is an integral part of the network of diocesan papers which, though restricted in its readership and area of coverage, is a most effective and good influence on our public life.

The Catholic press is serving its ends well. It is a strong and enlightening influence in the homes of all who read it.

As Catholic Press Month draws to a close, I salute these publications for their past accomplishments and wish them continued success in the years ahead.

Taking From Peter To Pay Paul

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. KING of California. Mr. Speaker, we are faced with subsidies for taking land out of production and with subsidies for putting land into production at the same time.

This is the anomaly that is presented to the House in its consideration of the upper Colorado River project.

I wish to insert in the RECORD the letter I have directed to each Member of the House, together with a copy of the "expert testimony" of the distinguished former Governor of Nebraska, Robert LeRoy Cochran, who is eminently qualified to speak on the subject:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 23, 1956.

DEAR COLLEAGUE: Enclosed is a reprint of a recent interview in Newsweek magazine with Robert L. Cochran, relating to the upper Colorado River project.

Mr. Cochran recently retired from the United States Bureau of the Budget, where he served more than 10 years as an expert on the financial and engineering aspects of Federal water-conservation projects. His distinguished career dates back to 1915 when he entered the office of the State engineer of Nebraska. He also served an unprecedented three consecutive terms as the Governor of that State.

Now free to speak publicly, Mr. Cochran points out the economic folly of authorizing the upper Colorado River project and also points out that the power features of the project, which are supposed to help pay the costs, may well be obsolete before the repayment period begins.

He further states that 90 percent of the irrigation costs would be Federal subsidy and that with the pending soft-bank proposal, Congress is faced with subsidies for taking land out of production and with subsidies for putting land into production at the same time.

I hope you will find it possible to take the time to read Mr. Cochran's statements prior to action by the House on the matter.

Sincerely,

CECIL R. KING,
Member of Congress.

EXPERT TESTIMONY

(By Raymond Moley)

On January 31 Robert LeRoy Cochran retired from the United States Bureau of the Budget, where he served more than 10 years as an expert on the financial and engineering aspects of Federal water-conservation projects. His distinguished career suggests that there is no man in the United States better qualified to advise in that field of Federal activity. Beginning in 1915, he spent 20 years in the office of the State engineer of Nebraska, during 12 of which he was head of that department. In 1934 he was elected on the Democratic ticket Governor of his

State, and was reelected in 1936 and 1938. This was the first time in the history of the State that a governor was elected for three consecutive terms. In addition to this unparalleled official experience in a reclamation State, he himself has owned a reclamation farm for 40 years.

He is now free to speak publicly, and I have asked him a number of questions concerning the multibillion-dollar upper Colorado storage project which is now before Congress.

Question. Governor Cochran, since the great majority of the readers of this article are interested in the Colorado River storage project as taxpayers rather than as beneficiaries, I believe they would like to have your opinion concerning the possibility of repayment to the Treasury of the money spent for power and irrigation. What is the formula proposed by the Interior Department for repayment?

Answer. It is called the Colbrann formula. It proposes that the power features be paid off first, with interest, from the revenues from the sale of electricity. After those expenditures are liquidated, which it is estimated will take about 50 years, the power profits would be used to pay off the costs of the irrigation aspects of the plan. Such repayment, if ever made, would take considerably more than another half century.

Question. What is your opinion about the practical prospects of repayment?

Answer. According to the claims of the Bureau of Reclamation and the congressional sponsors of the project, the cash boxes from which most of the repayment must come are power installations, the largest of which is Glen Canyon near the Utah-Arizona border. On the basis of the figures submitted, only Glen Canyon could be justified as financially feasible. Even if the revenues from that one dam were as good as anticipated, they would be entirely consumed in paying the deficits on the other power dams. That would leave nothing at all for the repayment of the irrigation costs during the first 50-year period.

The analysis presented by the department was based upon a 50-year period, generally considered to be the useful life of a project. Such a period may be too long in the light of the future potentials of power production from atomic energy and other sources.

Question. How then could the costs of the irrigation aspects of the upper Colorado project be paid back to the Federal Government?

Answer. A small proportion (about 15 percent) of the construction costs alone would be repaid by the farmers during the first interest-free 50 years. While it is proposed that the balance (85 percent) be paid back out of the revenues of the power aspects of the plan, we have already seen that there is no validity in that claim. Payment from that source would not begin anyhow until after about 50 years. By that time, the power features might well be obsolete. It should be emphasized that there appears to be a very serious doubt as to whether any power revenues would ever be applied to the payment of irrigation costs in the upper Colorado basin. I submit that a proposal to start payment after 50 years on a debt for any purpose is not worth the paper it is written on.

Meanwhile, because of the high construction costs per acre of the irrigation works and the accumulating unpaid interest, the Federal subsidy would be enormous. Under the ultraliberal construction of the reclamation law by the department, freedom from interest extends not only through the 40 or 50 years beyond a development period, but indefinitely into the future.

Something like 90 percent of the irrigation costs (including interest) would be Federal subsidy. Besides, experience with

reclamation projects indicates that after 30 years or so it is necessary in a considerable number of cases to spend further money on rehabilitation. This is another large item of expense for the Federal Government. There is also the fact that there is pending in Congress a proposal to subsidize a soil bank of land now under production. We are faced with subsidies for taking land out of production and with subsidies for putting land into production at the same time.

Question. But proponents of the upper Colorado storage project, ignoring the fact that in humid or semihumid sections of the country there are millions of acres which might with relatively small cost be prepared for cultivation, say that new irrigated land will be necessary by 1975 because of the rapidly increasing population in the United States. What about that argument for bringing new irrigated land into cultivation?

Answer. Such a claim must be balanced against the fact that through technology increased production can be and is being obtained from fewer acres. It will be very many years, if ever, before such land as is proposed in this project could be needed.

I would conclude that if Congress proposes to pay this immense subsidy to bring this arid land into production, it should be done in the open. As it is, the subsidy is pretty well concealed by means of a repayment formula which is absolutely without validity.

Tribute to Cantor Aaron Horowitz, of Wilkes-Barre

EXTENSION OF REMARKS OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. FLOOD. Mr. Speaker, I would like to call to the attention of the Members of the House of Representatives the outstanding record that has been achieved by one of my constituents, Cantor Aaron Horowitz, of Congregation B'nai Jacob, in Wilkes-Barre, Pa.

This fine spiritual leader has served for the past 60 years, without interruption, as a cantor in orthodox Judaism, a record of longevity that perhaps exceeds that of any other cantor in the United States.

He has served well the spiritual needs of his congregation, B'nai Jacob, for 33 years, and still serves the congregation fully and actively.

During his 60 years of cantorial service, Cantor Horowitz has participated in approximately 44,000 daily synagogue services. That figure perhaps also establishes a record in this country.

Cantor Horowitz, in addition to his accomplishments in orthodox Judaism, is a splendid musician and composer as well as a Biblical and Talmudic scholar.

Therefore, Mr. Speaker, you can readily see that I am speaking of a fine, well-balanced and outstanding individual—a man of great spiritual strength and dignity.

As befitting a man of such stature, his congregation tendered to him and his wife a testimonial dinner on Sunday, February 26, 1956.

I would like to join his many friends and admirers in wishing Cantor Horowitz with many more years of service to his congregation.

Inauguration Day Should Be a Legal Holiday

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. MULTER. Mr. Speaker, I wish to call to the attention of our colleagues the following statement which I submitted on February 24, 1956, to the House Committee on the Judiciary during its hearing on bills providing for a legal holiday on Inauguration Day:

Mr. Chairman and members of the committee, I appreciate the opportunity you have given me to present a statement in support of the resolution, House Joint Resolution 19, which I introduced on January 5, 1955, for the purpose of declaring a legal holiday on January 20, 1957, and on the day in every fourth year thereafter which is celebrated and known as Inauguration Day.

Permit me to say that I had the privilege to appear before your committee in behalf of a similar resolution on June 17, 1953. In that statement I stressed the importance of the event and the fact that, in practice, all over the country the national economic life, public and private, comes to a standstill.

We all recognize inauguration day as a significant event in the public and private life of our great country. On that day the attention of all persons is unremittably fixed on the auspiciousness of the occasion. Through the media of radio and television our country and, indeed, the entire world, participate in the solemnity of the occasion and in the festivities of the day.

In this statement I wish to emphasize the unique moral and ideological importance connected with this vital quadrennial occurrence in our national life. Generally, holidays are directed to the memory of a past event, and in their commemoration the event becomes a symbolic example and a guiding pattern for our future life. We are grateful for the past and, implicitly, we promise to make our future life more and more worthy of those sacred ideals.

Inauguration day is the day which celebrates the most outstanding expression of the will of our people and elevates it as a symbol of the will of our Nation. On this day the Nation more than ever is one and united; on this day we look with new confidence, assurance, and faith toward the future. In the ensuing 4 years the political, economic, cultural, and moral life of our people will establish new landmarks.

Why do we allow free time for our people to vote if we do not permit them the opportunity to celebrate nationally the direct result of their voting. We look upon the right to vote as the blessing bestowed upon us by a true democratic way of life. If we esteem it as a transcendent privilege for the old and young, for all classes, races, and creeds, should we not afford our countrymen the opportunity to celebrate in their political choice—the final outcome and expression of their will.

On inauguration day we do not rejoice in a single man, in a certain name, in a particular political leader. On that day we reaffirm our faith in and our allegiance to a

most sacred institution—we honor and extol the office of President as the cornerstone upon which our Constitution is preserved, protected, and defended.

The proposed legislation is not without precedent in the annals of our history. Permit me to call to the attention of the committee the act of March 2, 1889 (25 Stat. 980, 50th Cong., 2d sess.), which declared a national holiday on April 30, 1889, the centennial anniversary of the inauguration of our first President. It provided:

"That in order that the centennial anniversary of the inauguration of the first President of the United States, George Washington, may be duly commemorated, Tuesday, the 30th day of April, anno Domini 1889, is hereby declared to be a national holiday throughout the United States. And in further commemoration of this historic event, the two Houses of Congress shall assemble in the Hall of the House of Representatives on the second Wednesday of December, anno Domini 1889, when suitable ceremonies shall be had under the direction of a joint committee composed of 5 Senators and 5 Representatives, Members of the 51st Congress, who shall be appointed by the presiding officers of the respective Houses. And said joint committee shall have power to sit during the recess of Congress; and it shall be its duty to make arrangements for the celebration in the Hall of the House of Representatives on the second Wednesday of December next, and may invite to be present thereat such officers of the United States and of the respective States of the Union, and (through the Secretary of State) representatives of foreign governments. The committee shall invite the Chief Justice of the United States to deliver a suitable address on the occasion."

Various public groups have given their support to the purpose of this proposed legislation. It is common knowledge that most businesses come to a standstill that day.

In view of all the above factors, I do hope the proposed legislation will receive the favorable consideration of this committee in order that all our countrymen may participate to the fullest extent in the importance of Inauguration Day.

State by State Cost of Flood Control

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I insert in the CONGRESSIONAL RECORD a report on the total construction appropriation to date, by States, for active Corps of Engineers civil-works programs, including completed works.

Mr. Speaker, generally speaking, flood control is a direct appropriation to the States and communities. Neither principal nor interest is repaid to the Treasury.

This study of total expenditures for flood control, which amounts to \$6,859,553,000, is about 3 times the amount spent on reclamation projects. Reclamation projects pay back the principal, and they bring a new source of wealth and security to the communities of the arid West.

I am hopeful, Mr. Speaker, that the States that have profited so much from

flood-control projects will look with some favor upon reclamation projects. They are both an investment in America.

Total construction appropriations to date, by States, for active Corps of Engineers civil-works program, including completed works

Alabama	\$55,404,000
Arkansas	369,412,000
Arizona	1,381,000
California	473,031,000
Colorado	31,713,000
Connecticut	31,966,000
Delaware	22,738,000
Florida	116,783,000
Georgia	148,235,000
Idaho	51,319,000
Illinois	263,260,000
Indiana	60,634,000
Iowa	97,564,000
Kansas	106,514,000
Kentucky	245,489,000
Louisiana	450,936,000
Maine	10,496,000
Maryland	26,423,000
Massachusetts	85,125,000
Michigan	118,076,000
Minnesota	58,774,000
Mississippi	255,858,000
Missouri	324,703,000
Montana	135,817,000
Nebraska	125,822,000
Nevada	0
New Hampshire	15,581,000
New Jersey	56,378,000
New Mexico	18,058,000
New York	238,109,000
North Carolina	62,821,000
North Dakota	263,255,000
Ohio	158,657,000
Oklahoma	154,393,000
Oregon	478,627,000
Pennsylvania	227,073,000
Rhode Island	6,895,000
South Carolina	59,789,000
South Dakota	267,688,000
Tennessee	195,594,000
Texas	232,530,000
Utah	708,000
Vermont	5,259,000
Virginia	100,328,000
Washington	451,282,000
West Virginia	120,851,000
Wisconsin	13,386,000
Wyoming	300,000
District of Columbia	4,518,000

Total \$6,859,553,000

¹Includes maintenance of the Mississippi River alluvial valley project prior to fiscal year 1942, since both construction and maintenance funds were combined in annual appropriations in the early years of the project and are inseparable.

Gaining Momentum

EXTENSION OF REMARKS

OF

HON. HAROLD C. OSTERTAG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. OSTERTAG. Mr. Speaker, I recently called the attention of the House to the fact that Eastman Kodak Co. has formally recognized Good Friday as a day of deep spiritual meaning to the Christian world, and has designated it as a paid holiday.

My attention has since been drawn to the fact that another large company in my district, the Massey-Harris Ferguson

Co., of Batavia, N. Y., has also signed a contract with its employees in which Good Friday is designated as a paid holiday, thanks in large measure to the interest and efforts of the works manager of the plant, Mr. Robert L. Benson. I am indebted to Mr. M. O. Clement, civil defense director of Genesee County, for this information.

Regardless of one's faith, the increasing recognition by industry of the spiritual significance of Good Friday underscores the fact that this is indeed one nation, under God, indivisible.

Washington, Too, Had His Second-Term Health Problem

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. WOLVERTON. Mr. Speaker, the question of whether President Eisenhower intends to be a candidate for reelection continues to be the all-absorbing subject whenever any two persons meet in conversation. It will continue to be so until the President makes an announcement.

In writing upon the subject in my weekly Washington in Review, on January 12, last, I said:

I am of the opinion that the President's health, under certain conditions, might have a bearing in determining his final answer. I do not think, however, that it would necessarily be a controlling reason. I have a strong feeling that fear that it might be detrimental to his health or even mean his possible death for him to continue the heavy responsibilities of the Presidency would not, standing alone, determine him to answer "No; I will not be a candidate." We all well know that at no time during his service in the Army of his country would any possibility of death deter him from the full performance of his patriotic duty, whatever it might be.

Thus, it is my thought that if the President should feel that the world situation is such that continued peace would be imperiled by his relinquishment of the office of President, that then in such case he would feel an obligation to continue regardless of the possible physical consequences to himself. I am strongly of the opinion that fear of death or physical harm would no more determine him to avoid responsibility in time of peace than it would in time of war. President Eisenhower is too patriotic, and his love of country is too strong to permit him to make any decision other than what he thought necessary for the best interests of his country, regardless of any personal physical considerations.

Thus, it seems to me that in the final analysis, I would expect the President's decision to be based primarily on world conditions, and, if they be such as to cause him to feel that his continuation in the office of President is either necessary or advisable, that then he would respond and assume the duties in the same patriotic spirit that we all know would actuate him to accept responsibility in a time of national emergency growing out of a war that required his services.

On Wednesday, February 22, 1956, the *Courier-Post* of Camden, N. J., carried an editorial entitled "Washington, Too, Had His Second-Term Health Problem." It was an exceedingly interesting article, particularly because of the fact that President George Washington had a similar question of health facing him, before deciding to be a candidate for a second term, as now confronts President Eisenhower.

The editorial to which I have referred reads as follows:

WASHINGTON, TOO, HAD HIS SECOND-TERM HEALTH PROBLEM

As President Eisenhower ponders his great decision, it is interesting to recall that George Washington would have preferred not to run for a second term because of his health.

Though the first President was a strong, powerful man, the rigors of the Revolution and his earlier campaigns and travels had left their mark on him when, at the age of 61, he came to the end of his first term.

To Thomas Jefferson, Washington wrote that he felt himself "growing old," that his memory was "becoming worse" and his health "less firm." He prepared a farewell address, but it was only delivered, in amended form, at the end of his second term instead of the first. In it he said:

"I constantly hoped that it would have been much earlier in my power * * * to return to that retirement from which I had been reluctantly drawn. * * * But mature reflection on the then perplexed and critical posture of our affairs with foreign nations and the unanimous advice of persons entitled to my confidence impelled me to abandon the idea."

The troubled foreign affairs to which Washington referred arose primarily from the outbreak of the French Revolution and the ensuing war between France and England, with the strong sympathy felt for France by many of Britain's recent colonists, especially the Jeffersonians, which was fanned by the machinations of the French envoy to this country, Citizen Genet.

Washington was determined that the infant Nation would not imperil its precarious existence by taking sides in the European conflict. So to make sure of that, he subordinated his personal inclinations to the country's welfare and accepted a second term.

During this term the excesses of the French revolution made his neutrality policy popular instead of unpopular, and there were notable achievements in several fields.

Threats from hostile Indians were lessened. Open resistance to excise tax collections was put down. Access to the Mississippi was assured. The national credit was made firm. The Nation's international standing was strengthened.

It was fortunate for the United States that health which was less robust at the end of his first term than it was at the beginning did not deter Washington from a second one. The second term added greatly to his luster. Without it he might not have been called first in peace as well as first in war and first in the hearts of his countrymen.

There are certain striking parallels between Washington and Eisenhower, though it would be foolish to stretch them too far.

But one of them is the perplexed and critical posture of our affairs with foreign nations that existed in 1792 and exists again in 1956.

It would be a strange working of fate, but entirely conceivable, if the 34th President should decide for the same reasons as the first to forego his own personal desires and serve a second term.

Mr. Speaker, thus, it will be seen there are certain striking parallels between Presidents Washington and Eisenhower in this matter of health. As President Washington accepted the responsibility of a second term because of the perplexed and critical posture of our affairs with foreign nations that existed in 1792, so it can be hoped that President Eisenhower in 1956 will also accept the responsibility of a second term because, as stated in my news release, "the world situation is such that continued peace would be imperiled by his relinquishment of the office of President."

We need President Eisenhower today for the same reasons that the world conditions in 1792 created a need for President Washington at that time.

Eighteenth District Opinion Poll

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. HOSMER. Mr. Speaker, recently I mailed 16 questions to the homes of the 18th Congressional District of California which I have the honor to represent. The response was widespread. I believe my colleagues will be interested in the views expressed by this large group of Americans as shown in the following tabulation:

18th District opinion poll		Yes	No	No opinion
	Percent	Percent	Percent	Percent
1. "What 'we' did"? 1	87.6	5.5	6.9	
2. "Where 'we' are"? 1	85.8	6.4	7.8	
3. Finance new highways from more highway taxes instead of general revenues? 2	67.0	24.5	8.5	
4. Reduce national debt before cutting personal income taxes? 2	77.8	16.5	5.7	
5. Foreign aid is a needed weapon for winning the cold war? 2	63.8	26.6	9.6	
6. Repeal McCarran-Walter immigration law? 2	24.8	44.8	30.4	
7. Raise 1st class postal rates to help cut post-office deficits? 2	65.6	28.5	5.9	
8. Federal aid for school construction? 2	59.3	32.4	8.3	
9. Federal "reinsurance" of private health insurance plans? 2	41.8	40.6	17.6	
10. "Soft bank" and flexible supports instead of rigid farm supports? 2	79.6	9.4	11.0	
11. Repeal Taft-Hartley law? 2	11.4	75.1	13.5	
12. Federal water-power projects only where private financing unavailable? 2	81.2	13.4	5.4	
OPTIONAL QUESTIONS				
A. Do you think President Eisenhower will run for a second term? 2	53.3	31.1	15.6	
B. Do you think the Government is giving away our natural resources? 2	26.7	56.9	16.4	
C. Do you think the net effect of "big business" is good rather than bad for the country? 2	75.5	16.0	8.5	
D. Do you think the net effect of the CIO-AFL merger will be good rather than bad for the country? 2	23.9	58.6	17.5	

¹ As set forth in the President's state of the Union message in which he stressed "we" means not just his administration, but also Congress—including both parties—and all American people, Democrats and Republicans alike.

Pensions for World War I Veterans

EXTENSION OF REMARKS

OF

HON. WINFIELD K. DENTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. DENTON. Mr. Speaker, on January 5 of last year I introduced H. R. 656, which provides that World War I veterans shall receive substantially the same pension benefits as those received by the veterans of the Spanish-American War. The rates are set forth in the bill, but in brief, a World War I veteran at the age of 62 would receive \$101.59 a month, without a means test.

World War I ended more than 37 years ago. Thirty-five years after the close of the Revolutionary War, the veterans of that war were given a pension on the basis of service alone. Similar pensions were bestowed by a grateful Nation 39 years from the end of the Mexican War, and just 24 years after the Civil War was over the veterans of that conflict were granted pensions as a matter of right.

Only 18 years elapsed before a system of general pensions was set up for the Spanish-American War veterans. But in the period more than twice that long, since the Armistice of 1918, no such bene-

fits have yet been provided for the veterans of World War I.

I am a veteran of both World War I and World War II. During World War I, I was in a branch of service which we in that first Air Corps considered hazardous. During World War II, I was a "retread," performing office work, and was as safe as if I had been at home in bed. Nevertheless, I am very proud of my World War II service.

I entered the Army in that war when I was 46 years of age. To have taken preliminary training at an Army school at that age, together with the financial sacrifices I made, gives me much pride in my World War II service, and, for that reason, I generally wear the "ruptured duck" service emblem in my lapel. However, I cannot help but contrast the difference in the way the veterans of the two world wars were treated at the close of each conflict.

When their service was ended, the World War II veterans were each given mustering-out pay of \$200 to \$300, which cost the Government approximately \$4 billion, without a question. Veterans of World War I were given mustering-out pay of only \$60 apiece in 1918 and 1919. At that time, \$60 would not purchase a suit of clothes.

A man who enters the military service in wartime must give up his job or position, and when that service ends there

generally follows a period of hardship during which he must find employment and readjust himself to civilian life. The Government did very little to help the veterans of World War I tide themselves over this period. Even men released from prison are given a suit of clothes and travel fare home. They are treated with more consideration than was accorded the veterans of World War I.

And then came the long struggle to right that wrong. First, the Government gave World War I veterans the so-called "adjusted-service certificates." The Government ascertained the amount of mustering-out pay that it should have paid to these veterans at the time of their discharge. An increment was added to make up for delay in payment. There was determined how much paid-up insurance due in 20 years could be bought with each veteran's "adjusted-service credits," and each veteran was given a certificate for that amount of paid-up insurance, due in 20 years.

At first, the veterans were permitted to borrow on 10 percent of the face amount of these certificates; then legislation was passed permitting them to borrow on 50 percent; and, finally, in 1936, a law was passed over a Presidential veto to pay the veterans of World War I the full amount of their "adjusted-service certificates"—or mustering-out pay. Three similar bills had been vetoed by other Presidents.

So, 18 years after they were discharged, World War I veterans got their due mustering-out pay. The amount they received, under the forced-investment or insurance idea of the adjusted-service certificates, was \$3.8 billion. The expenditure involved would have been much less—only about \$1.5 billion—if the veterans of World War I had been paid this money due them when they were mustered out of service, as were the veterans of World War II.

In addition to mustering-out pay, since World War II, veterans have been given terminal-leave pay which cost the Government \$3.1 billion, and unemployment compensation which cost the Government \$3.8 billion. They have been given social-security credits for the time they spent in military service. Complete figures as to the cost of these are not available, but it will amount to something over \$600 million. None of these benefits were given the veterans of World War I.

The veterans of World War II were also given the "GI Bill of Rights." Under this program, they received on-the-job training and academic education. To date, these benefits have cost the Government approximately \$15 billion. These veterans also were given the benefit of guaranteed loans to purchase homes, to go into business, or to start farming. Loans for veterans' homes, alone, have totaled \$30 billion, and \$16 billion of this sum has been guaranteed by the Government.

Similar benefits were granted to the veterans of the Korean conflict, although in some instances they were not so great as those granted World War II veterans.

Excluding disability pensions—which are available to veterans of both World Wars—and aside from the housing-loan program, which has cost relatively little but provided an enormous benefit, World War II and Korea veterans have received benefits at a direct cost of about \$26.5 billion. This figure will almost certainly exceed \$30 billion within 10 years from now.

That sum is 20 times the amount given World War I veterans as "adjusted-service credits," before the increment made because of delay in payment. Twenty million World War II and Korea veterans will have received 20 times the benefits which were begrudgingly granted the 4.6 million veterans who survived World War I. That is a benefits ratio of more than 4 to 1 against World War I veterans.

Now World War II and Korea veterans have received these benefits because of the activity and work that World War I veterans unselfishly gave in support of the "GI Bill" proposal. The veterans' organizations were very active in initiating this program, and, in 1943, a group of Members of Congress who had served in the First World War met and decided on a course of action to obtain for the veterans of World War II the benefits which those Members thought should have been provided after World War I. And that movement was, of course, successful.

These benefits which World War II veterans have received have been money well spent. Any benefits of any kind that we might now provide World War I veterans would come to them late in life when their days of opportunity are, for the most part, long past. It was a priceless advantage to veterans of World War II to have their education and readjustment benefits when most of them were young and their days of opportunity were just dawning.

It has been estimated by a Census Bureau expert that the sum of \$9,000 invested in college education for a young man will increase his lifetime earning capacity by \$103,000. That is a return, or a benefit, of more than 11 times the investment. Multiply the World War II veterans' education-benefits payment of \$15 billion by 11; the product is \$165 billion in final economic benefits to those veterans. And the benefits of the housing-loan program are countless and beyond all calculation.

The educational provisions, alone, of the "GI Bill of Rights" have added materially to the wealth of America by providing us with trained scientists, engineers, doctors, lawyers, businessmen, farmers, skilled laborers, and followers of many other useful occupations. This is a wise program and America is much richer for it.

But don't forget, it was the veterans of World War I whose support assured the veterans of World War II of these benefits. And don't forget, either, that World War I veterans got no such benefits—either in terms of first cost or final result.

Many veterans of World War II have said to me that they appreciate greatly what has been done in their behalf by the World War I veterans who supported the "GI Bill." They said that, without

this support, they would never have received these benefits. And they say, too, that they would like to see World War I veterans treated with the same fairness as were veterans of other wars.

Whenever it has been proposed to do anything for the veterans of World War I, someone has always stated that the cost will be prohibitive—that general pensions for them would drive the Government bankrupt. These opponents of such a program launch into a flight of astronomical figures which might overawe and frighten off people who have not taken a look at our budget history.

Let us look at the situation in the year 1910. That was the 45th year after the end of the Civil War, by which time all who fought in that war could have qualified for a service pension. That year, we paid Civil War veterans pensions totaling \$105,399,354. The total of all Federal expenditures for that year was \$693.6 million.

Thus we see that, in 1910, the Government spent 15.2 percent of the total budget on Civil War veterans' pensions. I think everyone will agree that the country did not go bankrupt then (and I might mention, incidentally, that the Treasury ran a deficit of \$18 million that year).

Now let us suppose that my bill, H. R. 656, had already been enacted and were in effect during this year, 1956. Approximately 1,272,000 World War I veterans now at least 62 years old could qualify. And assume that everyone of those veterans did apply for a pension, and did qualify. And suppose those in good health got \$101 a month, and those who are invalids got \$135 a month—resulting, for the whole number, in an average monthly payment of perhaps \$120 apiece. On that basis, the total cost for this year, 1956, would be \$1.8 billion. That cost would be 2.8 percent of the total Federal expenditures estimated for the current year.

These figures I have mentioned are without reference to the sum which will be paid out this year under the currently existing, but inadequate, World War I pension program. That sum is approximately \$480 million for veterans' pensions. (Both as to Civil War pensions and as to World War I pensions, I have excluded any reference to sums paid as dependents' pensions, for convenience of discussion and comparison.) If you consider the \$480-million sum already due to be paid, my bill would add \$1.3 billion to the current annual cost—an increase of 2.1 percent over present total expenditures.

So, if paying Civil War veterans' pensions amounting to 15 percent of the total budget did not break up the Treasury and drive the country to disaster in 1910, it is reasonable to believe that World War I veterans' pensions of 2 to 3 percent of the national budget would bankrupt us in 1956? I don't believe that it is.

Now, someone may say that the Federal budget is a far different thing today from what it was in 1910, and that the Government has taken on new and costlier responsibilities. Granted, it may have. So, let us just make a comparison

of pension costs with the national income, then and now.

The national income in 1910 was \$25.6 billion. The sum of \$105 million paid as pensions to Civil War veterans that year amounted to approximately one-half of 1 percent of the national income. And to pay World War I veterans the pension I propose—\$1.8 billion for the year 1956—would take from the estimated national income of \$340 billion a portion no greater than one-half of 1 percent. By 1963, when the budget cost of H. R. 656 probably would reach its peak, it is highly unlikely that this cost would ever have reached 1 percent of the national income, even if the national income does not increase at all—and we have assurances on every hand that our national income will increase, substantially.

Someone may say: "But look at the burden the Government now has to bear in paying pensions to other veterans—those of the Indian wars and the Spanish-American War." And I say: So was there a burden in 1910 of paying pensions not only to Civil War veterans, but also to the veterans of the War of 1812 and the war with Mexico, as well as the Indian wars. A total of 23 percent of the Federal expenditures that year went for veterans' pensions of various types. Today, we set aside only 7.4 percent of the Federal budget for veterans' benefits of every description.

Maybe someone else will say: "But in this modern age we fight 'total' wars, when every fit person of military age must serve without expectation of compensation in money." My answer to this is, that, happily, we have not yet had to fight such a "total" war. But some of the wars we have fought have been more nearly "total" than others. And World War I was, fortunately for the United States, one of the least "total" of all.

This country has fought in 6 really major conflicts, and more of the population stayed safely at home in their ordinary pursuits during World War I than in any of the other 5. During the Revolutionary War, 14.2 percent of the population saw military service; 7.4 percent served in the War of 1812; 9.7 percent of the available population performed Federal service during the Civil War; 11 percent served in World War II; 4.4 percent served in the Korean conflict; while only 4 percent of the population was called up for service in World War I. Relatively speaking, those who served in World War I were but a few selected from among the many.

I believe that the figures I have presented here should convince any reasonable person that this country can afford to pay the veterans of World War I the pension I have proposed in H. R. 656, with certainly no more—and probably less—strain than was imposed by Civil War veterans' pensions in 1910. The Government affords a great many more things today in the cause of ordinary human justice than was thought it could afford 45 years ago, and, to my mind, we have already delayed long enough, now, in affording ordinary human justice to the veterans of World War I. It is time some action was taken.

For the veterans of World War I, the sands in the hourglass of time are running low. Today, their average life expectancy is only 15 years. Of the 4.6 million who came home when the fighting in France was done, barely 3 million remain. "Taps" has already sounded for more than one-third of the "Doughboys" of 1918. Every passing day, 235 of them die. Tomorrow, 235 of them whom we could have pensioned today will be dead. A year from now 90,000 more of the boys who faced shot, shell, and gas in the trenches will have gone to Eternity—unpensioned and very nearly forgotten.

I think there is a just cause in the argument for World War I service pensions. And I know that when the case for them is put squarely to those who oppose these pensions, some of these opponents become sheepish, and their arguments weaken and falter. Their last resort of opposition is that these pensions would cost too much at present. To me, that is an admission that we have not done right by our World War I veterans, and that a service pension for them would be only just and proper, "but for the cost."

Surely no one would want to say that, while these veterans in all fairness are deserving of these benefits, we had better wait until death has thinned their number still more, and start paying them pensions when it can be done more cheaply. Surely no one would want to play such a cold-blooded waiting game as that.

I prefer to believe that all of us will recognize now the justice in the proposal to pension those veterans, and that we will take steps now to do now what ought to be done. And there are bills now pending on which action can be taken to produce the appropriate result.

I have no extreme pride of authorship in H. R. 656. There are other good bills, which are similar to mine. Among them I would mention H. R. 170, by the gentleman from Alabama [Mr. RAINS], H. R. 551, by the gentleman from Massachusetts [Mr. LANE], and H. R. 4264, by the gentleman from New York [Mr. FINO].

Let me urge that favorable action be taken on some one of these bills. Let the veterans of World War I be treated with the same consideration as those of the other wars in which our Nation has fought. Let there be no generation of forgotten men among America's veterans!

Application of Federal Tax Laws in the Possessions of the United States

EXTENSION OF REMARKS OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. SIEMINSKI. Mr. Speaker, under leave to extend my remarks, I should like to cite a study prepared for me by the Library of Congress on the application of our Federal tax laws in the pos-

sessions of the United States. I think it will be of interest to the House.

The study follows:

APPLICATION OF FEDERAL TAX LAWS IN THE POSSESSIONS OF THE UNITED STATES

There is some variation in the application of Federal internal revenue laws in the Territories and possessions of the United States. The tax relationships between this country and some of its more important possessions are briefly described below:

PUERTO RICO

In general, the internal revenue laws of the United States do not apply in Puerto Rico. This principle was originally set forth in the Foraker Act (the Organic Act of 1900)¹ and the Organic Act of 1917.² The law today provides that Puerto Ricans are exempt from Federal income taxes. The only exception to this rule is that income received from the United States, such as that received as an employee of the Federal Government, is subject to Federal taxation.³ Puerto Rican products shipped to the mainland of the United States are taxed in the same way as products of domestic manufacture, but the revenue derived from this source is turned over to the treasury of Puerto Rico.⁴

VIRGIN ISLANDS

The income tax laws in force in the United States apply also to citizens of the Virgin Islands. The proceeds from such taxes, however, are paid into the treasury of the Virgin Islands.⁵ As in Puerto Rico, articles shipped to the United States are subject to taxation, but these receipts are also turned over to the government of the Virgin Islands.⁶ Other taxes levied in the islands by the United States Government, such as quarantine, naturalization, immigration, and passport fees, are also reserved for the local treasury.⁷

GUAM

Under the provisions of the Organic Act of Guam enacted in 1950, residents of Guam are subject to Federal income taxes.⁸ Again, the revenues from income taxes, customs duties levied on articles shipped to the United States and from quarantine, passport, immigration, and naturalization fees are returned to the treasury of Guam.⁹

HAWAII AND ALASKA

The Territories of Alaska and Hawaii are treated somewhat differently with respect to Federal taxation. They are subject to the same internal revenue laws as are any of the 48 States.¹⁰ Unlike Puerto Rico, the Virgin Islands, and Guam, the amount collected under these laws is not returned to the Territorial treasuries, but is paid directly into the Federal Treasury. In the fiscal year 1945, the Federal Government received \$44,537,000 from Alaska and \$126,340,000 from Hawaii in internal-revenue collections.

The principle of "no taxation without representation" has been advanced by some as the reason for the practice of returning taxes collected to the local treasuries of Puerto Rico, the Virgin Islands, and Guam. This

¹ Act of Apr. 12, 1900 (31 Stat. 78, ch. 191, sec. 4).

² Act of Mar. 2, 1917 (39 Stat. 954, ch. 145, sec. 9).

³ Internal Revenue Code of 1954 (sec. 933 (1)).

⁴ Ibid. (sec. 7652 (1) and (3)).

⁵ 48 U. S. C. 1397.

⁶ Internal Revenue Code of 1954 (sec. 7652 (b) (1) and (3)).

⁷ 48 U. S. C. 1398.

⁸ 48 U. S. C. 1421 l.

⁹ 48 U. S. C. 1421 h.

¹⁰ Internal Revenue Code of 1954 (sec. 7701 (9)).

principle, however, does not fully explain the tax advantage enjoyed by these three possessions over Alaska and Hawaii. It is true that Alaska and Hawaii do enjoy greater representation than the Virgin Islands and Guam in that they are represented in the United States Congress by a Delegate. Puerto Rico, however, which pays no Federal taxes, is also represented in Congress by a Resident Commissioner. While these three representatives may introduce bills and participate in committee and House debates, they do not exercise any vote, either in the committees or on the House floor.

It should be pointed out that the Federal Government does return a portion of Federal taxes received to Alaska and Hawaii in the form of various grants-in-aid. However, while Guam receives no grants-in-aid and the Virgin Islands receive a very small amount, Puerto Rico receives more than all of the Territories and possessions combined. This is borne out by the following statistics for the fiscal year 1954:¹¹

Grants-in-aid received

Puerto Rico.....	\$55,018,868
Hawaii.....	29,038,862
Alaska.....	11,232,846
Virgin Islands.....	793,061

A more significant reason for the more favorable tax treatment accorded Puerto Rico, the Virgin Islands, and Guam is that returning these revenues represents an effort to improve the general economic well-being of these possessions. While recent economic data are relatively scarce, some idea of their comparative economic condition may be given from the following statistics on median income of persons receiving income reported by the Bureau of the Census for 1950:

Median income

Alaska.....	\$2,072
Hawaii.....	2,728
Puerto Rico.....	378
Virgin Islands (St. John Island only).....	579
Guam.....	(¹)

¹ Not reported.

It Is Time We Woke Up and Recognized the Necessity of Having Trained Scientists

EXTENSION OF REMARKS OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 27, 1956

Mr. WOLVERTON. Mr. Speaker, the time is at hand when it is necessary for a change of policy in administering our Selective Service System. Today it would seem that at least local draft boards and some State boards are oblivious of the need of trained scientists to maintain our national security, by providing advanced types of weapons that will exceed in effectiveness those that are the result of advanced scientific development in nations that are unfriendly to our way of life.

Today there is pending before Maj. Gen. Lewis B. Hershey a case that I have

brought to his attention where local and appeal boards, in New Jersey, have turned a deaf ear to a request that would permit a student in advanced science to complete his course at a State university. The young man is a graduate of college and has now almost completed his advanced scientific course in pursuit of a doctor's degree. His studies up to this time have followed a course that is most necessary if we are to meet the challenge of other nations in such matters. I have purposely withheld details of his name, the name of the college at which he received his original degree, and the university he is now attending to attain his higher degree of doctor in his chosen scientific course. This boy is no slacker. He stands ready and willing to serve his time in the Army. He and his father, a distinguished Legionnaire of New Jersey, only ask that he be permitted to finish his final course that will take only a comparatively few more months of time, June 1957.

It is more important to our future security that this young man be permitted to finish his course of advanced scientific study, or, be sent into the Army at this time for the usual training process, that can include some duties not too important. That is the question that must be decided in this particular case.

During a visit to Soviet Russia and several of its satellite countries last fall I was astounded to learn of the extent to which Russia is preparing its students for scientific usefulness. Today, it is far ahead of us in this respect. Tomorrow, it will be so far ahead that it will create a situation that can be serious. This is a fast-moving world in the study of pure science as well as applied science. We cannot afford to lag behind.

In confirmation of this thought which I have expressed, I call the attention of my colleagues in the Congress, and all who are part and parcel of our Selective Service System, to an article that appears in the February 27, 1956, issue of the Des Moines Register by Marquis Childs in the form of an interview with former United States Senator William Benton, entitled "Soviets Train Scientists To Win Cold War." I commend it to the serious consideration of all who think in terms of the welfare of our Nation and its people. It reads as follows:

FORMER SENATOR WARNS—SOVIETS TRAIN SCIENTISTS TO WIN COLD WAR

(By Marquis Childs)

WASHINGTON, D. C.—A report based on firsthand observation adds another note of warning that education in the Soviet Union is far outstripping education in the United States.

The massive educational program still expanding in Russia, under which today nearly twice as many students are enrolled above the high-school level as in this country, is one reason for the extraordinary confidence expressed by Soviet leaders at the recent 20th congress of the Communist Party.

For as the latest warning, from former Senator William Benton, of Connecticut, makes clear, the Soviet educational system is geared to win the cold war.

SURPLUS OF ENGINEERS

Benton, who made an intensive study of Soviet education and propaganda last year,

says that system is producing a surplus of engineers and technicians who will be assigned to carry out technical assistance in every uncommitted country of the world. While getting their scientific training, they are thoroughly indoctrinated in the Marxist-Leninist line.

There are schools—and this seems to have escaped the attention of even specialists whose business is to know what is going on in Russia—in which all the training from the first grade on is in English, French, or German. Graduates of these schools have a fluent working knowledge of the language they will need when they are sent abroad to do a technical—and propaganda—job.

RAPID EXPANSION

In a lengthy article for the Britannica Yearbook, of which he is publisher, Benton writes:

"The Soviets are now challenging us frontally at what have historically been two of our strongest points, technology and mass education.

"In less than 30 years the Soviets have created a primary school system rivaling our own in universality, with nearly 100 percent enrollment. Their secondary school system is mushrooming amazingly. By 1960 every Russian youngster is to be given an education at least comparable to a better high school diploma."

WARNING BY STRAUSS

Late last year, Admiral Lewis L. Strauss, chairman of the Atomic Energy Commission, said it was evident the United States was rapidly falling behind Soviet Russia in the training of scientists and technicians with the "certainty that we are turning out less than one-half the number of scientists and engineers we require."

The deficiency begins, according to Strauss, in the high schools where science training has long been inadequate and standards of science teaching dropping rapidly.

He cited the fact more than half of all American high schools fail to teach physics or chemistry.

In contrast, Benton points out that in the last years of secondary school, Soviet students must take 4 years of mathematics, including algebra, geometry, and trigonometry.

FEW ELECTIVES

Since the Soviet Union is a totalitarian state, the student has little choice once he has selected a specialty. Electives are few and far between. So-called cultural courses are held to a minimum.

The objective, it is hardly necessary to add, is a Communist education—that is, first-rate technical training buttressed by complete indoctrination in Communist dogma.

It is the combination of indoctrinated zeal with technical proficiency that is so ominous for the West.

Others say that while the threat of massive technical training is a real one, the very fact of advanced education in the scientific spirit will raise troubling doubts that will in turn, lead to a weakening of the support for the state. If this could happen, then an evolution away from totalitarianism and toward a genuine acceptance of peaceful co-existence might be possible.

SPECIAL ACADEMIES

In a recent speech, Benton proposed the creation of technical assistance academies similar to West Point and Annapolis where young men of superior intelligence would be trained as engineers and technicians in every field. In return for their free education, young men would agree to sign up for a certain number of years of service in America's technical assistance program overseas.

¹¹ U. S. Treasury Department Annual Report of the Secretary of the Treasury on the State of the Finances, 1954. Washington, U. S. Government Printing Office, 1955, p. 702.

Short of some positive, constructive step such as this, the drift will continue. And if estimates of Soviet progress are even approximately right, the gap will widen and America will fall increasingly behind.

To permit this to happen is hardly less than an admission of defeat. For if we have learned nothing else in the atomic-electronic age, it is that the engineers and scientists of today win the battles of tomorrow.

Multiple Purposes of Colorado River Storage Project

EXTENSION OF REMARKS

OF

HON. ARTHUR V. WATKINS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Monday, February 27, 1956

Mr. WATKINS. Mr. President, the Colorado River storage project, now before Congress, makes a very positive, persuasive case, if people will take a few minutes to consider the multiple purposes of the project and the many reasons justifying it as a sound and economically feasible undertaking for the Federal Government.

It recently was my honor to be chosen to represent the proponents of this project by presenting the positive side in a pro-and-con analysis of the proposed legislation, published by the American Enterprise Association. The two opposing views of this legislative proposal, Raymond Moley having stated the negative side, were published by the American Enterprise Association as a public information service. Copies of this publication can be obtained from the Washington, D. C., office of the association at 1012 14th Street NW.

I ask unanimous consent that my views on this matter, as reflected in the American Enterprise Association publication be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CASE FOR THE COLORADO RIVER STORAGE PROJECT

(By Senator ARTHUR V. WATKINS, Republican, of Utah)

I. INTRODUCTION

The Colorado River storage project is necessary to regulate, control, and convey the waters of the upper Colorado River for and to those areas entitled to its use under the terms of the Colorado River compact and upper Colorado River compact.

It is a well-planned, economically sound, completely self-liquidating, long-range project designed to provide for the conservation and development of a vitally needed water supply for a four-State semidesert area larger than New England.

No other comparable river development program has ever been presented to Congress for authorization backed by the detailed engineering and economic studies and interstate cooperation in its planning reflected in this bill. This project has been under detailed study and investigation for more than 20 years, during which time there have been expended, from State funds and power revenues allocated to these investigations from the Hoover Dam, approximately \$10 million.

The Colorado River storage project is the culmination of an overall basinwide program for the total consumptive use of the waters of the Colorado River provided for in the Colorado River Compact signed by the seven States in the Colorado River Basin and the Federal Government. The first units of this basinwide plan, beginning with the Hoover Dam, all in the lower basin, have now been completed largely with Federal financial aid.

The Colorado River Compact was agreed to by the 7 States of the Colorado River Basin and the Federal Government in order to insure an equitable division of the water resources of the Colorado among the several States, regardless of the time of development. It was recognized that the lower basin would develop first because of the greater ease of control and diversion of the water, the need for flood control in the lower basin, the need for an All-American Canal to serve the Imperial Valley, and the proximity of large centers of population in California. During the last 33 years, the lower basin, with the help of Federal funds and the support of the upper basin States, has enjoyed practically full development.

It was also recognized at the time of the signing of the compact that the upper basin, because of its difficult topography, relative inaccessibility, and the necessity for major storage for regulation, would develop much more slowly. The signers of the compact in the lower basin, however, pledged their support to upper basin development when such development was ready for construction. That time is now.

Why, then, has so much misinformation been spread about this program and why has opposition to the upper basin development been generated, largely by southern California, in the lower basin?

The explanation is simple, but first one must get a true picture of the situation.

(a) The Colorado River Basin is an arid region. The total flow of the river is not sufficient to meet the water needs of the area. This fact was recognized early and prompted the Colorado River Compact which divided the waters of the river among the States before it was put to use.

(b) The Colorado River is the last major source of water available to the upper basin States (Colorado, New Mexico, Utah, Wyoming).

(c) More than 90 percent of the water in the Colorado River system originates in the upper basin States. No water originates in California.

The flow of the river varies widely from year to year and season to season. For example, the flow at Lee Ferry may be as low as 4 million acre-feet in 1 year, and as much as 25 million acre-feet in another year. The flow at Yuma, Ariz., may be as low as 3,000 cubic feet per second during the dry season, and as much as 300,000 acre-feet during the season of flood flows.

To utilize the entire flow of the river, the flow at the points of diversion must be made to coincide with the demand, both with respect to amount and time. To meet this requirement the river has to be regulated, that is, storage must be provided which will make it possible to hold the water during wet seasons and release it during the dry seasons. Long-time hold-over storage for river regulation is necessary on the Colorado River because of the wide fluctuations in its flow. Wherever the term regulation is used in this discussion it means artificial storage to make the flow of the river coincide with the demand for water use.

(d) The Hoover Dam fully regulates the flow of the lower river. A fully regulated, safe supply is available to all water users below the dam.

(e) In the lower basin there are many thousands of acres of land for which there

is no water within the allocation made to the lower basin by the compact.

(f) Water runs downhill. The value of this water resource to the upper basin is beyond measurement because it is renewable. Water is liquid gold.

(h) So long as the upper basin States can be prevented from using their water, the lower basin users, who are principally in California and Mexico, will enjoy the benefits from the upper basin's share of the Colorado River.

Therefore, the issue is clear. The Colorado River storage project will make it possible for the upper basin States to use their allocated share of the Colorado River. So long as this project is not built, the lower basin users, principally in California and Mexico, will be the beneficiaries of this great resource in terms of water and hydropower.

Each year that the present unused portion of the Colorado River water allocated the upper-basin States is allowed to flow into the lower basin, it means a windfall of roughly \$4 million a year to southern California power users, and it gives southern California and Mexico an opportunity to utilize consumptively the waters belonging to the upper-basin States.

The following is a brief description of the principal features of the project and sound positive reasons why people interested in economy and sound fiscal governmental policies—a group in which I claim membership—can support the Colorado River storage project.

II. PRINCIPAL FEATURES

1. The Colorado River storage project and participating projects is a basinwide proposal which, when carried out, will provide the facilities necessary for the upper-basin States to use their share of the Colorado River water. The proposed basin development is unique and difficult because of topography, distances to be covered, storage to be provided, water exchanges to be made, and power to be developed. It must be planned and built as a basinwide project. This accounts for the large authorization requested, but it must be remembered that it will take 30 to 40 years to complete the works included in this project.

2. The Colorado River storage project and participating projects provides for regulation of the river—storage of seasonal floodwaters to make the river's water available for use year round in the upper-basin States where 90 percent of the river's water originates.

3. The Colorado River storage project provides water for consumptive use by direct diversion or by exchange, both within and outside the Colorado River Basin.

4. The Colorado River storage project provides power as a byproduct, the net revenues from which will be used to help pay the costs of the project.

5. The Colorado River storage project provides regulating and control works and conveyance channels to convey the water to the land, to municipalities, and other points of use.

6. The Colorado River Storage Project Bill, H. R. 3383, provides for the authorization of 4 storage dams, 3 allied hydro-power plants and 11 participating projects to deliver water for use in each of the 4 States. The estimated cost of these units is about \$760 million and the construction period approximately 30 years.

7. The Colorado River storage project is self-liquidating. The cost of the power and municipal water features will be repaid with interest. The cost of the irrigation features allocated to the water users will be paid back in 50 years, plus a 10-year development period, without interest. The balance of the cost allocated to irrigation will be paid back from power revenues, all within 50 years. The cost of the interest on the irrigation features during the payout period will be exceeded many times by the new income

taxes which will pour into the Treasury from the new wealth created as a result of the construction of the project. After the project costs are repaid, the project power plants will continue to pour into the United States Treasury many millions of dollars per year.

8. Historical summary of the development of the Colorado River, 1870-1954:

1870-1922: Isolated, limited small projects on tributaries, along banks of main stream and in Imperial Valley of California and Mexico—limited by uncontrolled late season flow and subject to frequent floods which would wash away the diversion works. Water rights acquired under doctrine of appropriation—i. e., "First in time is first in right."

1922: The Colorado River compact was drawn to divide the water resource of the river, prior to its being put to use. The compact provided for total ultimate consumptive use of the water resource, and equitable division of such use among upper and lower basin States and Mexico.

Total consumptive use of the water resource depends upon:

(1) Complete regulation of flow, with long-time holdover storage. Necessary to carry water available during wet years over to dry years and provides for:

(2) Storage of water for consumptive use.
(3) Power, the net revenues from which would help pay for the project.

1922-54 (lower basin):

(1) Construction of Hoover, Parker, Imperial Dams, and All-American Canal under reclamation law. Davis Dam under Mexican Treaty.

(2) These provide (a) storage for regulation and power and water for consumptive use; (b) power revenues pay entire cost of storage for regulation and power, and help pay cost of irrigation features.

(1) Investigations to establish plan for development.

(2) Investigation completed in 1950. A feasible project was reported by United States Bureau of Reclamation, and favorably recommended by the Secretary of the Interior, the Bureau of the Budget, and the President in 1954.

(3) Construction in the upper basin during the 32 years has been limited to the Colorado-Big Thompson project and a few very small, miscellaneous projects.

(4) Authorizing legislation has passed the Senate (S. 500) and is now before the House (H. R. 3383). This legislation provides for 4 dams and reservoirs to provide for river regulation, holdover storage and water for consumptive use, and 3 allied hydropower plants for the generation of hydroelectric energy. It also provides for 11 participating projects, to convey water from points of origin to points of use.

And now may I point out some of the reasons why this project should be authorized and built.

III. JUSTIFICATION

1. The project will provide water for municipal, industrial, and agricultural needs.

2. The project will end a deplorable waste of fresh water into the sea.

3. The project will provide for holdover storage.

4. The project is well planned, based on sound engineering design, and the cost estimates and estimates of net power revenues are conservative.

5. The project is a true partnership enterprise.

6. The project is a multiple-purpose development.

7. The project produces power as a by-product.

8. The project will provide water and power for the industrial development of the area.

9. The project is vital to national defense.

10. The project is an investment of recognized Federal interest.

11. The project users pay all operation and maintenance costs.

12. The project will benefit every section of the Nation.

13. The project will stabilize the river and protect downstream facilities.

14. The project will start the Navaho Tribe on the road to independence and self-sufficiency.

15. The project does not involve the public versus private power controversy.

16. The reimbursable project costs—99 percent of the total—will be repaid by the users of the water and power.

17. The reclamation fund provides ready cash in the Treasury to finance reclamation projects.

18. The project creates a new source of income to the Federal Treasury, not a tax burden on each State.

19. Water rights are established by compact.

20. The project construction period will be at least 25 years.

21. The project costs are reasonable.

22. The project does not add to the agricultural surplus.

23. A discussion of southern California's proposals for alternate reclamation in non-arid areas.

24. The contemplated future firm power production at Hoover Dam would not be adversely affected.

25. The real issue—who gets the water and power?

26. Partnership in reclamation.

IV. THE WATER PROJECT IS JUSTIFIED

1. The project will provide water for municipal, industrial, and agricultural needs.

The climate of the Colorado River basin is semiarid to arid. The river is snow fed. It runs high during the snow-melting period, and low in the late summer and winter. This project will store the water during wet years and wet seasons, and make it available during the dry years and seasons for all consumptive uses. The project will extend and stabilize the water supply and provide water for the maximum agricultural, industrial, and municipal development.

2. The project will end a deplorable waste of precious fresh water into the sea.

The upper-basin States are now using less than 2½ million out of 7½ million acre-feet apportioned to them by the Colorado River compact. From 4 to 5 million acre-feet annually are being wasted into the sea, or are being diverted illegally by lower basin or Mexican water users. This water flows through the turbines at Hoover, Parker, and Davis Dams, after which it wastes into the Gulf of Lower California. The Colorado River compact provides for total consumptive use, and after full development there should be no water reach the sea.

3. The Colorado River storage project will provide holdover storage for regulation of a wild and unruly river. Such storage, above Hoover Dam, also will improve the operation characteristics of Lake Mead, and provide increased firm power generation at any dam which may be built between Hoover and Glen Canyon. More important, the Glen Canyon Dam will extend the life of Lake Mead indefinitely, because much of the silt now building up in Lake Mead will be trapped in the Glen Canyon Reservoir. The holdover storage in the upper basin also will guarantee annual delivery to the lower basin and Mexico of the waters to which they are entitled under the compact and the Mexican Water Treaty.

4. The Colorado River storage project is well planned, based on sound engineering design, and the cost estimates and estimates of net power revenues are conservative. More than 20 years time and \$10 million have been expended in engineering and economic studies. These studies were made by the Bureau of Reclamation, in cooperation with the respective States, and took into consideration the total potential basinwide development.

5. The Colorado River storage project is a true partnership enterprise.

The proposed development will be carried out under the terms of the upper Colorado River Basin compact, an interstate agreement entered into by the States of Colorado, New Mexico, Utah, and Wyoming. The irrigation water users will repay the irrigation costs up to the limit of the land and water capability, without interest. The municipal water users will repay the full cost of the municipal water features, with interest. The power facilities will be repaid, with interest, from power revenues. The costs allocated to irrigation, above the ability of the irrigators to pay, will be paid back out of power revenues. Thus all water and power users in the area concerned will participate in the repayment of the project costs.

Public benefits of great magnitude will result from this project. Recognition of these public benefits by the Federal Government is reflected in the provision of interest-free money on the unpaid balance of the construction costs allocated to irrigation. Save for contributing less than 1 percent of the total cost for such nonreimbursable benefits as flood control, the Federal Government makes no other direct contribution, even though the States involved are more than 50 percent federally owned.

The States contributed liberally to the costs of planning. The Upper Colorado River Basin Compact Commission has cooperated in the planning of the project and furnished information relating to it. The project has the unanimous support of the four upper basin States, on a bipartisan basis.

6. The Colorado River storage project is a multiple-purpose development.

It provides water for municipal, agricultural, and industrial purposes, and power as a byproduct. It will greatly improve the recreational and wildlife facilities of the area. It will provide for flood control by regulation and use of the water. All water uses developed in this project will be subject to the respective State water laws governing appropriation and use.

Although the initial use of the water may be agricultural, in this area of limited water supplies uses may change, with agriculture yielding to municipal or industrial demands under long-established legal priorities. The economy of the area is so closely tied together that the water and power users are essentially the same people. Therefore, there is no objection from the power users to paying an extra price for their power, when they know it is going to help pay for the cost of water, which in turn, benefits agriculture, municipalities, and industry, and contributes to general economic progress in the area.

7. The Colorado River storage project produces power as a byproduct.

Falling water represents energy. This energy, when converted into useful forms, becomes very valuable to man. Water is one of the few renewable resources. Therefore, power created from the energy of falling water is in great demand, because there is no recurring cost for fuel.

Hydropower is premium power, because of the ease of making the power output coincide with the demand for power. When the load goes off, the turbine gates close, and the water is put in storage. When the load comes on, the turbine gates open, and the water is drawn from storage. Such an operation is impossible with either thermal or nuclear power. Hydropower will never be put out of business by other forms of power, because of its value for peaking purposes.

The project storage dams are ideal sites for hydropower plants. These dams are necessary to the storage of water and the regulation of river flow. It is good business to utilize them also to convert the energy of falling water to power. This power, when sold at competitive rates in the intermountain area, will produce net revenues which will be used to help pay the cost of the

irrigation features and thus make the entire project self-liquidating. After all costs have been repaid, these plants will still be producing power, the revenues from which will flow into the public treasury.

8. The Colorado River storage project will provide water and power for industrial development of the area.

The upper Colorado Basin States are storehouses of raw materials. Great quantities of coal, oil, gas, oil shale, strategic minerals, nonferrous and ferrous metals, hydrocarbons, and other minerals and chemicals are found in the area. All the raw materials for chemical and fertilizer industries abound in the area. To develop these materials, water and power are required. Both will be available from this project.

It is estimated that 500,000 acre-feet of water will be required to meet the industrial needs of the area in the next 25 years. It will take at least 25 years to develop this water resource.

9. The Colorado River storage project is vital to national defense.

In this age of the atomic and hydrogen bombs, most of our centralized vital industries are "sitting ducks." Many could be wiped out in a single aerial bombing or missile strike. Such industries should be dispersed.

New defense plants should not be constructed alongside old ones. When new plants to make steel, scientific instruments, machine tools, processing plants for vital materials, heavy equipment and armaments, are built, they should be widely dispersed, and some of them located in the mountains where they would be hard to find and hit. The Rocky Mountains provide such protected sites, but water and power are needed to make the sites useful. Early construction of the Colorado River storage project, to provide water and power for such industries, is amply justified on the grounds of national defense.

10. The project is an investment of recognized Federal interest.

Approximately two-thirds of the total cost of the Colorado River storage project is to be repaid with revenues from power and municipal water features. These costs are fully reimbursable, with interest; hence, for this portion of the project there is no cost to the taxpayers.

The irrigation features of this project will cost approximately one-third of the total. The costs of these features are fully reimbursable, but without interest. The estimated average annual cost of these features of the project is \$10 million.

The reclamation fund, a revolving fund used to finance reclamation projects, is made up of income from the sale or lease of natural resources on the Federal lands in the public land States, including power revenues and other miscellaneous receipts. By June 30, 1954, this fund totaled \$848,149,945, plus an unappropriated balance of \$88,033,070. This fund is so large that currently more than half the total appropriations to reclamation, and more than all the appropriations to the irrigation features, come from this fund. In 1955 more than \$20 million from the natural resources in the upper basin States (Colorado, New Mexico, Utah, and Wyoming) were added to this fund.

So long as the average annual appropriation to build the irrigation features of the Colorado River storage project does not exceed the annual contribution to the reclamation fund from the upper basin States, the construction cost of this project represents an investment of all or a portion of the upper basin's share of the revolving fund which is already in the revolving fund bank. Such construction, therefore, would take no tax money out of the Federal Treasury. As far as the irrigation features are concerned, this project pays its way with direct income from water users and the upper basin States and the contribution to the reclamation fund,

which is made up in major part from the sale or lease of natural resources held in trust by the Federal Government in the said States. The other features of the project are built all or in part with borrowed money for which interest is paid.

11. The project water users pay operation and maintenance costs.

Almost all of the river and harbor and flood control projects are not only largely non-reimbursable, but the Federal Government also assumes most operation and maintenance costs. During the next 10 years, the Federal Government will spend more on operating and maintaining these water resource projects than will be required to finance the capital construction costs of the Colorado River storage project, a completely reimbursable project that will require an estimated 30 years to complete. In the case of this Colorado River project, as with all other reclamation projects, the direct beneficiaries (water and power users) pay the capital costs and also the operation and maintenance costs.

This point is not made in criticism of the flood-control and river-and-harbor programs, as such. I believe that sound projects under these two great programs are just as much an investment in national economic and social progress as the comparable reclamation projects. But in supporting these other programs and appreciating their value, I have been impressed that most water-resource studies have recommended that all other water-resource development programs be placed on the same basis as the 54-year-old reclamation program, insofar as cost sharing by beneficiaries and payment of operation and maintenance are concerned.

In this connection, I also have been impressed that the major economic arguments against the Colorado River project have come from California, which not only has received the lion's share of the reclamation appropriations, but has also received more appropriations under the general flood-control program than any other State.

12. The project will benefit every section of the Nation.

Every State in the Nation will benefit from the Colorado River storage project. These benefits are tangible and can be measured. They come in different ways, but the end result is the same—benefit for every area.

Expansion of trade area: Products produced in a reclamation area create new trade through transportation, processing, manufacturing, wholesaling, financing, retailing, and all other processes between production and the ultimate consumer, whether the products be uranium or apricots.

New markets: New income resulting from reclamation projects is the source of new buying power for goods produced in other areas of the United States. A case study of the Central Valley project in California provides an excellent example of the influence of resource development on retail sales. This project alone resulted in a new market for a million pair of shoes each year, parts of which will be made in Massachusetts, New York, Pennsylvania, and Missouri; for \$10 million worth of tobacco products, which will come largely from North Carolina, Virginia, Kentucky, Florida, and Pennsylvania; for 8,000 vacuum cleaners, 8,000 refrigerators, 8,000 washing machines, 8,000 radios and TV sets which will come from many States but largely from Ohio, Michigan, Illinois, Connecticut, New Jersey, New York, and Pennsylvania.

The increased purchasing power of this one project translates into an annual market for 15,000 new cars, some from Detroit, and South Bend and other cities, but many assembled in California from parts manufactured in Michigan, Indiana, Illinois, Ohio, and Wisconsin; for hundreds of thousands of dollars worth of textiles from New England and South Atlantic States; and for

thousands of tires, accessories, home appliances, office machines, and all the assorted products of the day produced in all corners of the country.

Eighty-one percent of the construction costs of the Colorado River storage project will be spent in markets outside the Upper Colorado Basin, for the labor and materials with which to build the project. This means that practically every State in the Union will benefit from expenditures resulting from such construction.

13. The project will stabilize the river and protect downstream facilities.

The Colorado River carries a heavy silt load which is now being deposited behind Hoover Dam. These silt deposits will ultimately fill up Lake Mead. It is estimated that the life of Hoover Dam, without upstream storage, will be less than 300 years. The construction of Glen Canyon Dam, which provides for 23 million acre-feet of silt storage, above Lee Ferry, will make the life of Hoover Dam indefinitely greater, and will also protect subsequent developments planned between Hoover Dam and Glen Canyon. The storage in Glen Canyon will make feasible, power developments in the canyon between Glen Canyon and Hoover Dam. Glen Canyon, therefore, will provide the regulation for future firm power generation, at no expense to the lower basin power users. It will, in fact, be a free contribution worth many millions of dollars.

Extensive headwater holdover storage provided by the Colorado River storage project will add stability to the water supply for the lower basin during extreme drought, because such holdover storage will make it possible for the upper basin States to meet the required delivery at Lee Ferry of 75 million acre-feet each consecutive 10 years in spite of recurring dry years, when the flow at Lee Ferry drops below 7.5 million acre-feet per year.

14. The project will start the Navaho Tribe on the road to independence and self-sufficiency.

The Colorado River storage project is the Navaho's major hope for the future—their opportunity to become self-supporting.

The Navahos make good farmers—when they have water. There never has been a food surplus in the Navaho Nation, but always a shortage of food. Hunger and poverty are constant specters among the Navahos. The proposed development will provide food to eat, economic stability and opportunity for progress.

The Navahos do not ask for charity, but by authorizing the project, the people of the United States will be able to keep some of the promises made to the Navahos in the Treaty of 1868.

The average cash income of the Navahos today is about \$150 per person per year. The project will raise the Navaho standard of living and provide opportunities for the Navahos to earn their own way.

The project will accelerate the educational program by providing a basis for a more concentrated population.

The project is the least expensive way to provide for long-range rehabilitation of a proud and deserving people.

15. The project does not involve a public versus private power controversy.

Ten private power companies serving the upper basin area appeared before the congressional committees in support of this project. The National Association of REA Cooperatives has endorsed the project. The power from the project powerplants will be sold under the provisions of the Reclamation law, which includes the preference clause. There is no Federal subsidy to power in this project. The entire cost of the power features will be repaid with interest. The power will be sold at competitive rates, expected to be about 6 mills per kilowatt-hour at the load centers. This means that the users of power in the area, who are also

the water users, will help pay for the cost of the project.

16. All reimbursable costs will be repaid by the users of water and power.

The Federal Government, throughout its history, has provided financial aid to public works, where such public works would result in public benefits. The earliest aid was given in the improvement of rivers and harbors, ship canals, and roads. Later, such aid was extended to flood control, railroads, highways, shipping, airlines, and critical industries. In most of these uses, the first costs were never repaid and frequently the operation and maintenance costs were also assumed by the Federal Government. Currently the Federal Government is spending billions on water resource projects (rivers and harbors and flood control), little of which will be repaid and upon which no interest is charged.

In spite of the erroneous and misleading propaganda which has been widely disseminated, the construction costs of the Colorado River project will be 99 percent reimbursed by the water- and power-users of the area served. The nonreimbursable 1 percent represents a very modest appraisal of other values, such as flood control and fish and wildlife protection.

Approximately two-thirds of the total cost of the project represent the investment in power and municipal water features. These costs will be repaid with interest. The one-third allocated to irrigation will be repaid, without interest. This is in harmony with national policy which has been in effect for more than 50 years, because the value of the interest is the Federal Government's contribution toward the cost of the public benefits which are many, and recognition of the large percentage of public land in the reclamation States.

With the passage of the Reclamation Act in 1902, a revolving fund, called the reclamation fund, was established to finance reclamation projects. The major source of this revolving fund has been and still is the income from the sale of timber, public lands, and oil, gas and mineral leases and power revenues in the public land States. This fund has been built up to nearly \$1 billion, and its annual accruals are now sufficient to finance reclamation investigations and overhead, and to provide more than one-half the construction appropriations for reclamation.

Considering the multipurpose character of reclamation projects, and the fact that the power and municipal features of these projects draw interest on the unpaid balance of the construction costs, it is obvious that the interest-free money outside that in the revolving fund required to finance the irrigation features of the reclamation program is very small. The charges that the Colorado storage project will place a heavy tax burden on other States are therefore completely erroneous.

17. The project creates a new source of income to the Federal Treasury, not a tax burden upon each State.

The widely disseminated charge that the Colorado River storage project will be paid for by States outside the upper Colorado River Basin is pure fiction.

The provision of interest-free money from the Federal Treasury for irrigation features of reclamation projects has been national policy for more than 50 years. This is not a subsidy. It is a form of payment for indirect benefits received by the public from the results of reclamation. These benefits are tangible and can be evaluated. During the payout period of a reclamation project, the value of these benefits greatly exceeds the cost of interest on the cost of the irrigation features.

Put in a more recognizable form, let's look at the income-tax situation alone, because this revenue goes directly into the Federal Treasury.

First of all, the expenditures for construction become income, which is immediately taxable. H. R. 3383 provides for an expenditure of \$760 million. Assume for the purposes of illustration, that the construction is completed in 10 years at \$76 million per year. This expenditure, in one form or another, becomes taxable income. The Treasury Department estimates 20 percent is about an average income-tax rate. Twenty percent of \$76,000,000 equals \$15,200,000. Out of the \$760 million expended for construction, therefore, \$152 million goes back directly into the Treasury as a new source of income to the Treasury, which would not exist if the project were not built.

A part of this new income would offset the interest on the unpaid balance during the construction period. The offset would be current, so only simple interest would be involved. The net new income into the Treasury during the assumed construction period, therefore, would equal \$106,752,000.

At the beginning of the development period, the farm income would start to increase. This new farm income, which did not exist before the project was built, is taxable.

The new income taxes resulting from increased farm income, increase from 0 at the beginning of the development period to an estimated \$4,947,000 annually at the end of the development period, and are assumed to remain constant during the 50-year repayment period. For a period of 24 years this new income to the Treasury annually will total less than the simple interest on the unpaid balance, but beginning with the 25th year after full development is reached, the total new income to the Treasury would exceed total simple interest, if applied to the unpaid balance of the construction costs. At the end of the payout period for the last unit of the irrigation features, the cumulative new income to the Treasury from increased income on the farm exceeds the total value of interest on the unpaid balance of the construction costs by \$131,811,000.

In this analysis, no credit is given for increased State income or ad valorem taxes resulting from project construction, even though they would be considerable.

This claim for new Federal revenue from reclamation projects is not a theoretical assumption. The facts have been borne out in 50 years of reclamation activities. Typical of economic returns, exclusive of direct crop values, from reclamation projects are these from a sampling of long-established reclamation projects:

Salt River Valley, Ariz.: Total cost of project, \$24,631,302; cumulative Federal tax revenues attributable to project—\$310,700,000 on individual incomes, and \$253,100,000 corporation income-tax receipts.

Yakima project, Washington: Total cost of project, \$49,593,890; cumulative Federal tax revenues attributed to project on individual incomes, \$239,600,000, and corporation income, \$101,800,000.

Strawberry project, Utah: Cost, \$3,348,684; current annual tax revenues attributed to project, \$1,797,960 to State and local governments, and \$4,432,800 to the Federal Government.

New income to the United States Treasury, regardless of the source, reduces proportionately the income taxes required or it provides additional revenue for new expenditures.

Providing interest-free Federal money for reclamation is not a subsidy (nor a taxpayer's burden) for the following reasons:

(1) No interest should be charged because the money for the irrigation costs would come out of the reclamation fund, which comes from the States involved.

(2) The project creates new wealth from which new income taxes, in excess of the value of interest, are paid.

(3) The value of interest may be considered as payment for public benefits.

18. Water rights as between the upper and lower basins are established by compact. Nothing in the pending legislation will impair these rights.

The upper basin States are required not to deplete the river at Lee Ferry below 75 million acre-feet each consecutive 10-year period, and, in addition, the upper basin States must carry one-half the Mexican requirements in case of short water supply. The bill affirms these compacts as the law of the river.

19. The project construction period will be at least 25 years.

If the project were authorized tomorrow, it would take 2 years to produce planned reports and contract documents. It is estimated that to construct Glen Canyon, Flaming Gorge, Currecanti and Navaho Dams, will take more than 10 years, and that at least 15 years will be required to fill the reservoirs.

The participating projects will start to deliver water at about the eighth year after authorization, and their construction will string along for about 17 years, even without the customary delays in appropriations. The flow of appropriations will govern, but it is doubtful that more than \$30 million per year, on an average, will be available for construction, which suggests 25 years as the minimum construction period.

20. The project costs are reasonable.

The Colorado River storage project is expensive, but so is virtually all water development these days. The Colorado project's costs are increased by the rough topography, large holdover storage requirements, long distances to the points of consumptive use, and the scattered arable land areas involved. The costs, however, are not excessive, because this project provides water for present and future municipal and industrial uses, as well as for agricultural uses. In addition, the reservoirs and dams which are necessary for river regulation and holdover storage are also valuable as efficient power sites.

The generation of electric power from the energy of the falling water as a byproduct of the irrigation project provides revenues which can be used to help pay the cost of the irrigation features of the project. This unique situation places the burden of repayment upon both the water and power users of the area, and no portion of the cost is passed on to those outside the area, in spite of the fact that they do receive benefits.

The per-acre costs on the 11 participating projects vary from \$210 on the LaBarge project in Wyoming to \$794 on the central Utah project in Utah. These costs are spread over a 50-year period, after a 10-year development period, making the annual costs per acre vary from \$4.20 to \$16, a rather modest annual cost for a long-term water supply.

The costs are reasonable and well within the limits of net increased returns per acre, after water is made available. Fifty years experience on reclamation projects show that the cost of supplying water to the land has averaged from 2 to 3 times the market value of the land and water at the beginning of the payout period. At the end of the payout period, however, the market value of the land is 3 to 4 times the cost of supplying the water. Every acre of land proposed to be irrigated under this project will show an increased net production, after water is made available, greater than the annual repayment plus the cost of operation, maintenance, and replacement. The propaganda arguments against the per-acre cost on this project are pure fiction.

Nonagricultural benefits from reclamation projects were cited in the recent Hoover Commission Task Force Report on Water and Power (vol. 1, p. 44) as follows:

"The justification for Federal interest in irrigation is not solely to provide land for farmers or to increase food supply. These new farm areas inevitably create villages and towns whose populations thrive from furnishing supplies to the farmer, marketing

his crops, and from the industries which grow around these areas. The economy of seven important cities of the West had its base in irrigation—Denver, Salt Lake City, Phoenix, Spokane, Boise, El Paso, Fresno, and Yakima. Indeed these new centers of productivity send waves of economic improvement to the far borders, like a pebble thrown into a pond. Through irrigation, man has been able to build a stable civilization in an area that might otherwise have been open only to intermittent exploitation."

21. The authorization of the Colorado River storage project will have no effect on the current agricultural surpluses for the following reasons:

The basic crops which are under mandatory price support or which constitute the bulk of our surpluses are: wheat, cotton, corn, tobacco, rice, peanuts. None of these crops, except wheat and corn is grown in the upper basin States. Very little wheat is grown on land to be supplied with water and most of this on nonirrigated land, which, when water becomes available, will be diverted into specialty crops or alfalfa and forage, and thus reduce the wheat acreage and production. In Utah—and this is typical of the other upper basin States—less than 7 percent of farm income is derived from the basic crops which are now under mandatory price supports. The principal crops to be grown on this new irrigated land will be fruits, vegetables, alfalfa, and forage. None of these crops is in surplus, or under mandatory price supports.

The total acreage of new land that will come into production as a result of the project will be small (132,360 acres), and the timetable of construction so long, that the surpluses will have vanished before the area comes into production. For example, elapsed time between beginning and end of construction will be at least 30 years.

It is estimated that 10 years will be required to construct the major storage and control works and the conveyance channels to the participating projects. An additional 10 to 15 years or more will be required to fill the storage dams and to build the participating projects. Experience has shown that it takes about 10 years to fully develop the irrigation practices after water is made available to the area. Therefore, although a few acres will be irrigated annually after about the 10th year after authorization, the project cannot possibly be in full production before about 30 years after authorization.

The principal crops grown in the upper basin States are fruits and vegetables and other specialty crops so important to the American diet (75 percent of the present production comes from irrigated lands in the 17 Western States), and alfalfa and forage.

The upper basin States are deficit areas in the production of livestock feeds. Most of the Nation's feeder cattle are produced in the Mountain States. To maintain the supply of feeder cattle needed to fill the feed lots of the Midwest, sufficient alfalfa and forage must be produced to carry the intermountain area livestock through the winter. As of December 7, 1955, 17 counties in Utah and Wyoming were on drought relief. The upper basin States will remain deficit feed areas until water is made available so that more alfalfa and forage can be produced. The United States Department of Agriculture reports that drought assistance and relief through the loan and feed programs amounted to over \$20 million in 1953-54 and over \$14 million in 1954-55.

Population is growing at a staggering rate. Estimates for 1975 population vary from 200 to 250 million people in the United States. The President's Materials Policy Commission report in June 1952 says that the United States will need 40 percent more agricultural production in 1975 than in 1950. The commodity estimated to be in greatest demand by 1975 is livestock—a 49.4-percent increase

in total consumption of meat is forecast, and a 41.6-percent increase in beef. Livestock feed and feeder cattle will control the supply, and the new demand will be built up before the Colorado River project can be put into production. A 6-percent increase in vegetables for processing is forecast, and a 37.2-percent increase in fruits other than citrus. The total demand for cereal crops also will be up—wheat only 23 percent—but not to the same degree.

The demands for food and fiber projected by the USDA and the President's Materials Policy Commission cannot be met in the next 20 years. For example, the USDA says we will need 35 million new acres by 1962 to produce the feed necessary to maintain the current per capita meat consumption of 156 pounds. About 17 million of this can be obtained by shifting acreage from wheat and cotton to livestock feed. A part of the balance can be obtained from increased per-acre production, but such increases are definitely leveling off. Projecting the period to 1975, when the population will be in excess of 200 million, we will need in excess of 100 million acres of new land in production. Actually, the acreage requirement by 1975 will be greater than 100 million, because each year approximately 1 million acres of farmland is taken out of production for highways, airports, urban development, military or public buildings. This will amount to 20 million acres by 1975. Erosion and alkali will take out additional acres.

It is not unreasonable to assume that by 1970, when the bulk of the land in the Colorado River storage project starts to come into production, that this country will need the equivalent of 100 million acres of new land. The USDA estimates probably 20 million could be obtained by draining and clearing land in the humid and subhumid areas; hence 10 million additional acres will have to be found elsewhere. This is about the equivalent of 6 million acres of irrigated land, and that is about all the irrigable land left in the 17 Western States.

The Colorado River storage project, as proposed in H. R. 3383, will bring into production 132,360 acres by 1980. The need by then will be 6 million irrigated acres. Therefore, the land brought into production by the Colorado River storage project can have absolutely no effect on the current agricultural surplus. The total new area to be irrigated would be only 0.027 of 1 percent of the total cropped land in the United States and would be used primarily to grow fruit, vegetables, alfalfa and forage crops, all of which will be in great demand by 1975.

The Colorado River compact apportioned, for beneficial consumptive use, 7,500,000 acre-feet of water per year to the Upper Colorado River Basin. Of this more than 5 million acre-feet per year are now unused in the upper basin and without holdover storage in the upper basin these waters flow downhill to become available to the lower basin and Mexico. In both these lower basin areas the physical facilities are available for the control, diversion and use of the entire flow of the river. Failure to use the 5 million acre-feet in the upper basin makes it available to the lower basin for the production of cotton, which is now in surplus. Cotton acreage in the lower basin and Mexico has increased greatly, because of the availability to these areas of unused upper basin water. Here is what has happened during the past year, 1955. Cotton quotas were reduced in California. Cotton growers moved over into Mexico, and, using upper basin water, produced in 1955 nearly 500,000 bales of cotton.

The acreage in California taken out of cotton was used to grow alfalfa seed, which soon flooded the market and threatens the domestic alfalfa seed industry. Water belonging to the upper basin States and not

used now in the upper basin is being utilized to produce crops which increase the crop surpluses.

The Colorado River storage project will make water and power available for industrial and municipal development as well as for agriculture. The Colorado River basin is a storehouse of raw materials. Development of these resources will provide jobs, homes, create new wealth and add new income-tax pipelines to the Treasury. It is not unreasonable to believe that the increased population resulting from this project will consume more agricultural crops than it produces and this will create new markets for such crops from other areas.

The farm surplus is a current and temporary situation. This country will soon outgrow it. It is inevitable with the rapidly growing population. This country must project its food and fiber needs in to the future. It cannot afford to live only in the present with no concern for the future, when it takes so long to develop a dependable food and fiber supply. A few years ago, during the war, there was a shortage of food. Everyone remembers it. The people in the West remember the drought of 1934. Another year like 1934 would wipe out the present food surplus.

The United States has become the greatest Nation on earth because it invested in the future—in the promotion of transportation, communication, agriculture, industry, even to the extent of providing cash grants. It planned for the future. We must continue to look ahead, and 25 years is not too long a forward look. In 25 years we will need all the food the Colorado River storage project can produce, and it will take about that long to bring the land into production. The project must be built beginning now. It cannot possibly add to the current surplus. It is even doubtful that it can meet the increased food demand by the time it is in full production.

22. The reclamation fund: With the passage of the Reclamation Act in 1902, a revolving fund was established to finance the reclamation projects. This fund is known as the reclamation fund. This fund is supported by proceeds from the sale of public lands and timber, and was later augmented by a percentage of the oil, gas, and mineral leases and revenues from the repayment of construction costs of projects to develop the natural resources of the public-lands States.

The Hayden-O'Mahoney amendment to the reclamation law in 1938 provided that all revenues from reclamation projects should be deposited in the reclamation fund, an earmarked fund in the Treasury. In fiscal year 1955, more than one-half the total money appropriated for reclamation projects (irrigation and power) came from the reclamation fund.

Up to June 30, 1954, \$936,183,015 had been paid into the reclamation fund. Of this total, \$848,149,945 had been expended on reclamation projects, leaving a balance in the fund of \$88,033,070 on June 30, 1954.

Up to June 30, 1954, the States of Wyoming, Colorado, Utah, and New Mexico had put into the reclamation fund \$178,458,067.

During 1954, these same States, out of public land resources, put into the reclamation fund approximately \$20 million. This is more than enough to have paid interest on the unpaid balance of the cost of the irrigation features of all reclamation projects in those States, including the Colorado River storage project, if its construction had been initiated during that year.

When all States, except the public land States of the West, were admitted to the Union, they retained all their land and mineral resources. These resources were developed as taxable private enterprises, or as sources of State revenue. In the Western reclamation States, more than half the land and most of the oil and mineral resources on it were kept by the Federal Government.

Under these conditions it is no more than right that the proceeds from these Federal resources in the upper basin States should be used to offset the interest on the money advanced by the Federal Government to build the irrigation features of reclamation projects.

23. A discussion of the southern California proposals for alternate land reclamation in nonarid areas:

Wet lands of South, East, and Midwest can be drained and cleared. It is estimated that perhaps as much as 21 million acres might be reclaimed by such action.

The soils for the most part are shallow and infertile from centuries of leaching by heavy rains. Heavy applications of fertilizers will be required annually. These annual costs plus the first cost of reclamation greatly exceed the cost of reclamation by irrigation.

Except for limited areas, the cropping pattern will be limited to a few crops, most of which are in surplus.

If these lands had been attractive for reclamation at the very low costs as claimed by the southern California groups opposing upper Colorado River development, why haven't they been reclaimed before, during the period of agricultural shortages and high prices for agricultural products?

Within 15 years this country will need to have every available acre of productive agricultural land in production including the total irrigable area in the 17 Western States.

Every year the highway, airfield and urban expansion is taking out of production more available land than is being brought into production. It is reported by the Soil Conservation Service that these withdrawals amount to more than 1 million acres per year. In the four upper Colorado River Basin States, 160,000 acres of cropland are diverted to other uses every year.

24. Current power production at Hoover Dam:

The contracts for power were based on a rate sufficient to repay the entire cost of the dam and power facilities in 50 years. Power which was considered to be firm and available at all times, regardless of development in the upper basin, is under contract at the rate of 1.34 mills per kilowatt-hour. Power, which is to be available only so long as upper basin is not using its water, is secondary or dump power, and the rate for this power is .33 mills per kilowatt-hour.

So long as the upper basin is kept from using its water, the secondary power at Hoover is just as good as firm power, and

the southern California users get it for the secondary rate and sell it as though it were firm power. The value of this power, being made with water apportioned to the upper basin States, amounts to approximately \$4 million per year. This is an outright gift to the southern California power users at the expense of the upper basin States.

From 5 to 10 million acre-feet of water per year is now going into the sea from the Colorado River. This water is being used to generate power for the primary benefit of California.

With the completion of construction of Glen Canyon and Flaming Gorge Dams, this water which is now wasting into the sea will be used to fill those reservoirs, and later for consumptive uses in the upper basin.

The loss of this power source is one of the main reasons for California's opposition to the Colorado River storage project, in spite of the fact that California signed the Colorado River compact and agreed to a division of the waters of the Colorado River. Planned reductions of firm power to the lower basin as a result of expected upper basin water diversions are plainly provided for in Hoover Dam power contracts.

25. The real issue—who gets the water and the power.

There is not sufficient water in the Colorado River to supply all the agricultural, industrial and domestic needs of the area.

After all the water of the Colorado River is consumptively used, there will still be thousands of acres of thirsty lands, raw materials undeveloped and living space unoccupied by people because of lack of water.

To provide for an equitable division of this water resource among the States of the basin, a compact, dividing the use of the water among them, was drawn, signed by each State and the United States.

This compact divided the use of the water between the upper and lower basin, the first 15 million acre-feet equally.

The lower basin (California, Arizona, and Nevada) developed first with the support of the other States and the use of money from the Federal Treasury.

Storage reservoirs, powerplants, control structures and conveyance channels have now been built, largely under the reclamation law, sufficient to control, divert and convey all the water of the river.

There are more than 2 million dry acres in the Colorado River Basin of Mexico and 500,000 acres in the Imperial Valley of California waiting for water to make them productive.

It would take more water to irrigate these lands than the entire allotment to the upper basin.

An insatiable power market exists in the southern California area sufficient to use all the power that can be generated with all the water in the Colorado River system.

The lower river is completely regulated by the Hoover Dam.

Water runs downhill. If by any means the upper basin States can be kept from using their water, this water will run downhill and southern California and Mexico will get it.

This water resource is literally worth billions of dollars. It is not surprising, therefore, that the southern California opposition is willing to spend hundreds of thousands of dollars to keep the people in the upper basin from utilizing their allocated water.

There is only one issue to this controversy—who gets the water and the power allocated by compact to the upper basin States?

Failure to authorize this project by this Congress will lend the support of this body to the consummation of the "steal of the century," whereby one Commonwealth, which has become prosperous and powerful as a result of water and power made available through Federal aid from a common river source which was divided by compact, now uses that strength and economic wealth to take, by indirection, that portion of the river resource apportioned to the upper basin by a valid contract which that Commonwealth signed.

26. Partnership in reclamation:

The reclamation partnership program joins good land and good water with good people. This combination creates new fertile acres, new wealth which will produce food and fiber in perpetuity. In one sense, a nation is only as strong and enduring as its food supply. In another and more important sense, no nation can be strong unless there exists a deep spirituality among its citizens.

Fulfilling the commandment God gave in the beginning, "to multiply and replenish the earth and subdue it," is one of the best ways to develop those spiritual forces every nation must have to endure. The good earth is man's best friend. In Proverbs it is declared, "Where there is no vision, the people perish." The subduing of the earth requires imagination—vision. Let us have that same vision that inspired the Dutch, who reclaim land from the ocean itself, to live their creed that "A nation that lives builds for the future."

SENATE

TUESDAY, FEBRUARY 28, 1956

Rev. Andrew K. Rule, professor of church history and apologetics, Louisville Presbyterian Seminary, Louisville, Ky., offered the following prayer:

Almighty God, who in Thy mysterious providence, hast laid upon us responsibilities of unimaginable proportions, far surpassing in their demands the limits of human knowledge and wisdom, grant us the guidance of Thy spirit, who knows the end from the beginning; and make us sensitively responsive to His gentle leading; that what we shall do together this day may be acceptable in Thy sight and beneficial to all mankind.

With sorrow, but in faith, we bow before Thy inscrutable will, thanking Thee for the rich blessings that came to us and to our country through the life and serv-

ice of our friend, Senator KILGORE; praying that the consolations of Thy gospel may be richly ministered to his bereaved family; and that Thou wilt raise up others to fill this great gap in the ranks of those who serve. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., February 28, 1956.
To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN O. PASTORE, a Senator from the State of Rhode Island, to perform the duties of the Chair during my absence.
WALTER F. GEORGE,
President pro tempore.

Mr. PASTORE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 27, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 25, 1956, the President had approved and signed the act (S. 180) to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma.